



**CITY COUNCIL
STAFF REPORT**

TO: Honorable Mayor and Councilmembers
DATE: February 19, 2019
THROUGH: John W. Donlevy, Jr., City Manager
FROM: Shelly A. Gunby, Director of Financial Management
SUBJECT: Comprehensive Annual Financial Report (CAFR)

RECOMMENDATION:

Staff recommends that the City Council receive the 2017-2018 Comprehensive Annual Financial Report (CAFR).

BACKGROUND:

Every year the City of Winters has an independent audit performed by an outside auditing firm. The audit was performed by Van Landt and Fankhenal LLP for the 2017-2018 fiscal year. Upon completion of the audit, a Comprehensive Annual Financial Report, or CAFR is prepared by staff and the auditors to provide useful financial information for the City Council, Staff and Citizens regarding the operations of the City of Winters.

This year's CAFR contains information about factors affecting the financial condition of the City, the effect of the economy on our ability to adhere to certain financial policies, information about the capital projects and information about the awards that have been received by the City. This information is contained in the transmittal letter.

Included in the Management Discussion and Analysis (MD&A) is a discussion prepared by staff about the financial highlights for the year, a guide to the financial statements, analysis of the Government Wide Financial Statements and Governmental Activities, other major funds, budgetary highlights, capital and debt administration and economic factors impacting future budgets.

Page 26 of the report includes the Balance Sheet for the Governmental Funds of the City of Winters; these are all funds with the exception of the Water and Sewer Funds and the Trust Funds for the former redevelopment agency.

The Balance Sheet for the General Fund includes the following items:

Description	Revenue in Excess of Expenditures	Fund Balance
General Fund	(7,937.07)	941,733.94
Community Development Dept	(105,674.14)	(1,305,854.47)
Fireworks	(2,090.17)	(12,431.97)
Senior Fund Donations	4.95	353.12
Winters Swim	24.36	1,739.89
Park Maintenance Committee	32.48	2,318.50
Koda Camp	10,412.16	26,406.26
Canine Program	(8,789.08)	8,502.85
Police Cadet Program	1,036.49	3,090.63
Community Garden	23.81	23.91
General Fund Capital	6,751.39	482,055.54
Capital Equipment Replacement	9,691.47	488,053.95
Service Reserve Fund	3,392.78	1,059,022.10
General Plan Deficit	12,826.00	(383,044.56)
General Debt Service	810.87	57,896.37
Total	(79,483.70)	1,369,866.06

The funds are combined into the General Fund for Financial Reporting purposes due to the fact that the items are not restricted by law for their use, but, rather restricted for use by decisions made by the City Council, or for ease of determining how a particular program is performing over time.

Included in the CAFR is Note 9 on page 54-56, Post-Retirement Health Insurance Benefits. The City of Winters provides retired employees the opportunity to continue their health insurance with CALPERS. When a retiree elects to continue their health insurance coverage with CALPERS, a portion of the cost is paid by the City of Winters. For 2018 this amount was \$133 per month per employee, for 2019 the amount is \$136 per month per employee. Prior to the 2017-2018 CAFR, the City implemented and reported based on GASB 45 (Governmental Accounting Standards Board Statement number 45. GASB 45 requires that the City calculate the estimated liability to provide this benefit to employees. In 2017-2018 the City of Winters implemented GASB Statement number 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions. The City engaged an OPEB (Other Post Employment Benefits) actuarial to provide the required calculations and information as required under GASB 75. The assumptions used to provide the OPEB liability are detailed on Page 55.

The result of the actuarial is an increase in the OPEB liability from the prior year. Under the Plan Description on page 54, the note references a trust that meets the criteria in paragraph 4 of Statement 75. Staff has begun researching the various options that are available to a small jurisdiction and will be bring forward a recommendation to begin providing funding for the OPEB liability in late spring 2019.

Note 10 on page 58-63 discusses the CALPERS Defined Benefit Pension Plan as of June 30, 2016. Pension Reform, known as PEPRA began in January 2013. We have new tiers of retirement for any new CALPERS members, and all new CALPERS members must pay 50% of the normal cost of the defined benefit plan. The City has changed some of our recruitment information based on whether potential employees are current CALPERS members or not. Beginning in 2018 the City may require existing employees to pay 50% of the normal cost of the defined benefit plan. This will impact salary and benefit negotiations with employees in the future. Staff is exploring opportunities to begin pre-funding, or paying down the unfunded liabilities that exist in the CalPERS plans the City is a member of. Recommendations will be forthcoming in the late summer 2019.

The CAFR includes a comparison of the proposed budget to actual results for certain funds. These are called Major Funds and in 2016-2017 the City had 4 Governmental (not Water and Sewer) major funds, the General Fund, The Revolving Loan Fund(which is a combination of 5 funds grouped together) , the Roundabout Project, and the Home-Choc Grant Fund. The Revolving Loan Fund had a fund balance of \$1,441,607 as of 6-30-18. The actual to budget information for the General Fund can be found on page 64. The original budget projected a \$72,498 change in fund balance, no mid-year budget adjustments were made, the projected change in fund balance was \$72,498, and the actual change in fund balance from operations was (\$79,483), however a prior period adjustment for \$121,164 created a change in fund balance of (\$200,646). The Budgeted amount included funds 101-General Fund and fund 102-Community Development. The actual change in fund balance for these two funds was (\$234,775) or \$256,267 less than budgeted. The difference in the budgeted amount and the final results is due to the failure of projects to move forward, specifically, the Freeway Hotel and the Blue Mountain Terrace projects. To date, only the Freeway Hotel has actually paid the building permit fees in the current year. The table included above in the discussion of the makeup of the balance of the fund balance of the General Fund shows how each fund contributed to the \$200,646 decrease in General Fund balance. The decrease in fund balance of \$200,646 is similar to the use of a savings account to continue to pay for expenses that continue to occur. Additional economic development needs to be implemented in order for the revenues of the City to be at a level to sustain, and hopefully, expand services provided to the citizens of the City,

Page 81-88 shows the results of the various special revenue funds operated by the City. The first column includes information on the City Wide Assessment District. This fund is responsible for funding the costs of the services performed to maintain all of the parks within the City. Currently the fund is operating at a deficit, and this deficit is funded by the General Fund. The City has recently completed the park close to the Orchard Village Apartments, Walnut Park. Completion of the Putah Creek Nature Trail and Walnut Park have added significant new service requirements for park maintenance. Funding for the park maintenance is now \$82.50 per residential unit per year, and \$41.25 per non-residential unit per year. Currently there is no anticipated increase in the rate per unit, and the only way to increase the available funding for park maintenance is to add additional units to the city (both residential and non-residential). Without additional funding sources, the general fund will continue to subsidize park maintenance.

Beginning on page 120 is the Statistical Section of the CAFR. This section compares results for the prior 10 years for various operating results. These are required to be included in specific formats for inclusion in the CAFR. Page 127 compares the Governmental Fund Balances for the

last 10 years, the story of the General Fund is a continual reduction in fund balance from 2012 to present. This shows the impact of using our “savings” account to continue operations. This also shows that while we prepared for the economic “slowdown” by committing to reserve fund balances, we now need to look to increasing fund balances in the future to be prepared for the next “slowdown”. This will be accomplished by looking to economic development and housing construction in the next few years.

Page 132 shows the fluctuation in General Fund tax revenues of the City. The impact of the increase in the Utility User tax in 2010-2011 is clearly evident in the Other Taxes column. Also illustrated is the impact of the housing values in the decrease of property taxes from a high in 2009 of \$1,395,538 to the 2010 amount of \$1,121,922, a 19% decrease in one year. We are now rebounding from the 2011 low, but still see some volatility in the property taxes as 2017 receipts were 2% lower than 2016, but see a significant increase in 2018 due to the new homes added by the Winters Ranch Subdivision. Additional retail outlets have helped in providing an increase in Sales tax.

Page 125 and 126 show the changes in net position for Governmental Funds over the past 10 years. This can be somewhat deceptive, due to the fact that included in the Governmental Funds include all the special revenue funds, and most especially the Grant Funds. The use of Grant Funds typically has a negative impact on the Governmental Fund Balances. This is due to the fact that most Grants are handled on a reimbursement basis, that is, the City advances the funds to pay for the services that are grant funded, and then we receive a reimbursement from the Grant for the amounts that we have advanced. This means that most of the time, until the grant is completed, we have always paid more out for grant projects than we have received.

Page 133 includes information on Assessed Values for the last 10 years, and clearly shows how our Assessed values were reduced with the housing crisis, and the associated foreclosures and are now beginning to rebound somewhat but are still significantly lower than the high in 2010 for properties outside of the former redevelopment project area. The assessed values in the former redevelopment project area have increased significantly in the last few years. This is due to the sale of property formerly held by the former Redevelopment Agency having been sold to private persons/developers to be developed, and the build out of the Winters Ranch subdivision which was completely inside the former project area. Once property transfers from the former Redevelopment Agency or Successor Agency to a private individual or company, it becomes subject to property taxes once again. As development is undertaken and improvements are made, such as homes and/or businesses such as hotels and offices are completed, the assessed value increases and will provide additional revenues on an recurring basis to the City of Winters.

The CAFR (Comprehensive Annual Financial Report) is posted on the City of Winters website for the public to have access to read and review.

FISCAL IMPACT:

None by this action

ATTACHMENTS

Comprehensive Annual Financial Report (CAFR) under separate cover.

City of Winters
Comprehensive Annual Financial Report
For the Year Ended
June 30, 2018



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City Manager
John W. Donlevy Jr.

Director of Financial Management
Shelly Gunby

**CITY OF WINTERS
CALIFORNIA**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

**CITY OF WINTERS
Finance Department**

**Shelly Gunby
Director of Financial Management**

City of Winters
Comprehensive Annual Financial Report
Year Ended June 30, 2018

TABLE OF CONTENTS

I. INTRODUCTORY SECTION	PAGE
Letter of Transmittal	i - v
Directory of Officials	vi
Organization Chart	vii
Certificate of Achievement for Excellence in Financial Reporting	viii
 II. FINANCIAL SECTION	
Independent Auditor's Report	1 - 3
Management's Discussion & Analysis	4 - 22
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Position	23
Statement of Activities	24 - 25
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	26 - 27
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	28
Statement of Revenues, Expenditures and Changes in Fund Balances	29 - 30
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	31
Proprietary Funds:	
Statement of Net Position	32
Statement of Revenues, Expenses and Changes in Net Position	33
Statement of Cash Flows	34
Fiduciary Funds:	
Statement of Fiduciary Net Position	35
Statement of Changes in Fiduciary Net Position	36
Notes to Financial Statements	37 - 63
Required Supplementary Information:	
Budgetary Comparison Schedule – General Fund	64
Budgetary Comparison Schedule - Revolving Loan Special Revenue Fund	65
Schedule of Changes in the City's Net OPEB Liability and Related Ratios	66
Schedule of the City's Proportionate Share of the Net Pension Liability	67
Schedule of Plan Contributions	68
Notes to Required Supplementary Information	69
Supplementary Information:	
Non-major Governmental Funds:	70 - 72
Combining Balance Sheet	73 - 80
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	81 - 88
Schedules of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual:	
City Wide Assessment Special Revenue Fund	89
Flood Assessment Special Revenue Fund	90
Gas Tax Special Revenue Fund	91
Traffic Safety Special Revenue Fund	92
Afterschool Program Special Revenue Fund	93
Vehicle Theft Deterrent Special Revenue Fund	94
Fire Prevention Special Revenue Fund	95
State COPS 1913 Special Revenue Fund	96

City of Winters
Comprehensive Annual Financial Report
Year Ended June 30, 2018

TABLE OF CONTENTS - Continued	PAGE
Realignment Special Revenue Fund	97
Housing Successor Special Revenue Fund	98
Beverage Recycling Special Revenue Fund	99
EDBG 99-688 Special Revenue Fund	100
EDBG 96-405 Special Revenue Fund	101
Transportation Development Act Capital Projects Fund	102
Capital Asset Replacement Capital Projects Fund	103
Landfill Capital Projects Fund	104
RAJA Storm Drain Capital Projects Fund	105
Street Impact Fee Capital Projects Fund	106
Storm Drain Impact Fee Capital Projects Fund	107
Parks and Recreation Impact Fee Capital Projects Fund	108
Police Impact Fee Capital Projects Fund	109
Fire Impact Fee Capital Projects Fund	110
General Facilities Impact Fee Capital Projects Fund	111
Water Impact Fee Capital Projects Fund	112
Sewer Impact Fee Capital Projects Fund	113
Street Capital Projects Fund	114
Fiduciary Funds:	115
Combining Statement of Assets and Liabilities - Agency Funds	116 - 117
Combining Statement of Changes in Assets and Liabilities - Agency Funds	118 - 119
 III. STATISTICAL SECTION	
Description of Statistical Section Contents	120
Financial Trends:	
Net Position by Component - Last Ten Fiscal Years	121 - 122
Changes in Net Position - Last Ten Years	123 - 126
Fund Balances of Governmental Funds - Last Ten Fiscal Years	127 - 128
Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years	129 - 130
Revenue Capacity:	
Governmental Activities Tax Revenues by Source - Last Ten Fiscal Years	131
General Fund Tax Revenues by Source - Last Ten Fiscal Years	132
Assessed Value of Taxable Property - Last Ten Fiscal Years	133
Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years	134
Principal Property Tax Payers (Top Ten) - Current Year and Nine Years Ago	135
Property Tax Levies and Collections - Last Ten Fiscal Years	136
Debt Capacity:	
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	137
Ratios of General Bonded Debt Outstanding – Last Ten Fiscal Years	138
Direct and Overlapping Debt	139
Legal Debt Margin Information - Last Ten Fiscal Years	140 - 141
Pledged Revenue Coverage - Last Ten Fiscal Years	142
Demographic and Economic Information:	
Demographic and Economic Statistics	143
Principal Employers - Current Year and Nine Years Ago	144
Operating Information:	
Full-time and Part-time City Employees by Function - Last Ten Fiscal Years	145
Operating Indicators by Function - Last Ten Calendar Years	146
Capital Asset Statistics by Function - Last Ten Fiscal Years	147

INTRODUCTORY SECTION



December 19, 2018

To the Honorable Mayor, Members of the
City Council and the Citizens of the City of Winters:

The comprehensive annual financial report of the City of Winters for the year ended June 30, 2018 is hereby submitted as mandated by State statutes. These statutes require that all general-purpose governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

This report consists of management's representations concerning the finances of the City of Winters. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Winters has established a comprehensive internal control framework that is designed to both protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Winters financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Winters comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Winters financial statements have been audited by Van Lant and Fankhanel, LLP, a firm of licensed certified public accountants. The goal of the audit was to provide reasonable assurance that the financial statements of the City of Winters for the fiscal year ended June 30, 2018 are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Winters financial statements for the fiscal year ended June 30, 2018 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that the management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Winters MD&A can be found immediately following the report of the independent auditors.

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**COUNCIL
MEMBERS**
Pierre Neu
Harold Anderson
Jesse Lorens

MAYOR
Wade Cowan
MAYOR PRO TEM
Bill Biasi

CITY CLERK
Nanci Mills
TREASURER
Michael Sebastian

CITY MANAGER
John W. Donlevy, Jr.

Governmental Profile

The City of Winters, incorporated in 1898, is located in the southwestern corner of Yolo County, immediately north of the Solano County line and just east of the Vaca Mountain Range. The City of Winters is bordered to the east by I-505. Interstate 80, which lies just 11 miles south, provides easy access to the major metropolitan areas of Sacramento and the Bay Area. State Highway 128 passes directly through the City of Winters and is a major access route to the Napa Valley and recreational opportunities at Lake Berryessa.

The City of Winters is a general law city and employs the Council/Manager form of government. The City Council acts as the legislative and policy making body for the City. The City Council consists of 5 members. The City Council appoints the Mayor after each Council election. The Council appoints the City Manager, City Attorney, and all members of the various boards and commissions, which serve in an advisory capacity to the City Council. The Council sets policy on all public matters relating to the City of Winters, and adopts an annual budget in which the years approved programs, projects and services are financed. The City Council periodically establishes citywide goals and updates the General Plan and Zoning Ordinances as needed. The City Manager is the chief administrator and is responsible for implementing the policies and priorities of the City Council. The City Clerk and Treasurer are elected for four-year terms.

The City of Winters provides a full range of services, including police and fire protection; the construction and maintenance of streets and other infrastructure; water and sewer services; recreational activities and cultural events. The City of Winters was also responsible for the legally separate Winters Community Development Agency which was dissolved by the State of California on January 31, 2012. The Community Development Agency non-housing assets, liabilities and operations were assumed by the City of Winters as Successor Agency to the Dissolved Winters Community Development Agency and are included as a Private -Purpose Trust Fund in this report. The Housing assets and operations were assumed by the City of Winters and are included as a Special Revenue Fund in this report.

The annual budget serves as the foundation for the City of Winters financial planning and control. In recent years, the City has employed the use of a two year budget cycle which encompasses the adoptions of concurrent individual fiscal year budget. All agencies of the City of Winters are required to submit requests for appropriation to the Director of Financial Management which are then implemented in each the ensuing fiscal years. The Director of Financial Management uses these requests as the starting point for developing a proposed budget. The Director of Financial Management and the City Manager present this proposed budget to the City Council for review in May and is required to be legally adopted by June 30, the close of the City of Winters fiscal year. The appropriated budget is adopted at the fund and departmental level. The City Manager is authorized to make transfers between account codes and departments within each fund, except contingencies. City Council approval is required for transfers between funds, except for those inter-fund transfers approved in the budget. Budget to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, the comparison is presented as part of the basic financial statements for the governmental funds. For governmental funds other than the general fund with appropriated annual budgets this comparison is presented in the governmental fund subsection of this report.

Management Approach

Over the past five (5) years, the primary focus of our management of the City has been fiscal and service sustainability. Simply put, we have worked to identify both needed and desired service levels and the associated costs and determined strategies for maintaining the quality of our municipal operations.

The approach has included a collaboration of all departments, the City Council and the community at large to begin a process of strategic planning for the long-term service, facility, park and open space, and capital equipment needs for the City. A significant amount of time has been spent on research and workshops to begin defining both current and long-term needs.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific economy that affects the City of Winters.

With the passage of Proposition 1A, the City has reduced its vulnerability to state raids of city funding sources, but has not eliminated it completely. State legislation has often been directed at local governments to re-direct city revenues to cover the State's fiscal shortfalls. Potential take-away's have presented a real threat to the City's fiscal situation in the past and the Redevelopment Agency was dissolved as of January 31, 2012 based on the Supreme Court's decision in December 28, 2011.

Economically, Winters, while residing in Yolo County is primarily impacted and influenced by the economies of Solano County and the East San Francisco Bay Area.

- Housing prices have started a sharp recovery and we expect prices to continue to increase.
- Residential construction has been completed on approximately all 72 units of Winters Ranch (formerly known as the Ogando Hudson Subdivision), and grading of the 400 unit Winters Highlands Project (now called Stone's Throw) and 117 Callahan Estates subdivision has begun and construction has commenced in fall of 2018. Other approved subdivisions have begun re-engaging the City of Winters in order to facilitate the construction of the approved residential subdivisions.
- The City's Sales Tax has seen a rebound from \$267,204 in 2009-2010 to \$648,124 in the current fiscal year.
- Additional freeway serving businesses are expected to develop along the Grant Avenue corridor, the new State of the Art PG&E Gas Operation Technical Training facility began operations in September of 2017 and the Starbucks, directly across the street from the PG&E facility opened in January 2018. Additionally a Fairfield Inn (Marriot) Hotel planned to be adjacent to the Starbucks has completed the planning process and is expected to break ground in the first quarter of 2019.
- Winters proximity to the I-80/I-505 corridor has made the location a logical next step in industrial development. The expansion of Solano County industry has driven developers to the Winters area in search of affordable land. The area in and around Vacaville and I-505 has caused many to look towards Winters as a potential area of industrial expansion.
- The construction of a boutique style Downtown Hotel has begun, and will be completed in 2019, providing accommodations for overnight tourists and a conference area for business in the area.

A key focus of the City Council and Staff has been capital projects to repair infrastructure and modernize facilities. Our vision is toward the future and a strong capital base.

A key hurdle for development in the Winters industrial area is flood control. Much of the City's northern area is a part of a FEMA Flood Area and is in need of mitigation. The City has developed a Flood Master Plan for this section of the City, which projects the need for almost \$20 million in improvements to

mitigate the effects of flooding. The PG&E facility construction has provided improvements required as part of the Flood Master Plan.

In order to facilitate this growth and maintain a quality community, Staff has initiated a number of internal programs to assure effective review of projects and implementation of the City's economic development strategies. Economic expansion will invariably lead to higher revenues, and higher costs, to the City; therefore, balancing these revenues and costs is a key issue.

Long-Range Financial Planning

The city has developed a long-range financial plan. The goals of developing this long-range plan include the following:

1. Understanding of all the revenue sources used to implement projects and services throughout the community and the impacts to the growth rate of the services.
2. Identifying recurring vs. nonrecurring revenues.
3. Reviewing all services provided by the City and the corresponding costs of those services.
4. Provide service levels consistent with the General Plan.
5. Establish a Service reserve fund from nonrecurring (one-time) revenues.
6. Establish a long term financial strategy and plan.
7. Establish a "living" document that can be updated as identified variables change that will affect the plan.

Relevant Financial Policies

The 2008 recession impacted the City of Winters significantly with a reduction in assessed values and a resulting reduction in property tax revenues, these revenues are just returning to 2008 levels, a full 10 years later. Measure W, enacted in June 2010 by the voters of the City of Winters, increased the Utility User Tax from 4.75% to 9.5%. The City of Winters has worked diligently to increase revenues through various Economic Development projects, and these efforts have provided additional revenues while the economy has begun to improve for existing business, and the assessed values of properties within the City have begun to recover. The combination of the new businesses throughout the City and the increase in assessed values are included in the 2018-2020 budget, and the City of Winters is once again anticipating adhering to our General Fund policy that "Operating Revenues must fully cover operating expenditures" in the 2019-2020 fiscal year. Our Policy of having reserves on hand, as well as significant concessions from all levels of staff allowed the City to continue to provide consistent levels of service during times of declining revenues and staff is committed to continue to adhere to these policies in the future.

Capital Projects

The City has focused on the implementation of critical infrastructures as part of our overall Capital Improvement planning. Since 2010 the focus has been on "backbone" infrastructure to support current needs, while providing opportunity for economic development. Projects have been implemented utilizing the 2007 Water and Sewer Revenue Bonds as well as budgeted capital funds from City run utilities and various grant programs. Examples include:

- Water Well #7 was completed to sustain reliability and allow key subdivision and economic projects to advance throughout the City.
- Water pipes were extended to the area along I-505, which resulted in extensive freeway commercial expansion and the PG&E Gas Training Facility.
- Sewer lines were replaced throughout the oldest part of the City.

- Wells #2 and #6 were rehabilitated to allow them to run more efficiently.
- A SCADA (Supervisory Control and Data Acquisition) system was installed to maximize efficiency of utility systems. This allows for computer monitoring of the status of the Water and Sewer Systems at all times.
- Water Meters were installed City Wide and beginning January 2012, all water customers began being billed based on consumption.
- The advanced construction of traffic infrastructure (signal and roundabout) has advanced traffic capacities to reduce the burden of future economic development projects.

Capital Improvement Plans will be reviewed and updated in the 18-19 fiscal year and will coordinate with the master plans for both Water and Sewer Enterprise Functions. The Development Impact fee program is currently under review and new fees are anticipated to be set in early 2019.

Awards and Acknowledgements

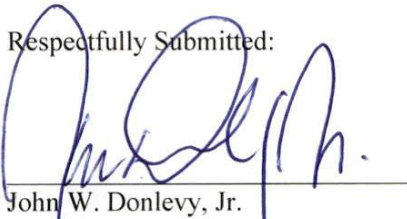
In 2009, the City of Winters was awarded the 2009 SACOG Blueprint Excellence Award for its efforts in planning, engineering and capital project implementation. This award is the highest award given within the five (5) county region in recognition for "smart growth" and the agency's ability to effectively implement capital projects.

The Government Finance Officer Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Winters for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2017. This is the fifteenth (15th) year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City of Winters published an easily readable and efficiently organized CAFR. This report satisfied both the GAAP and applicable legal requirements.

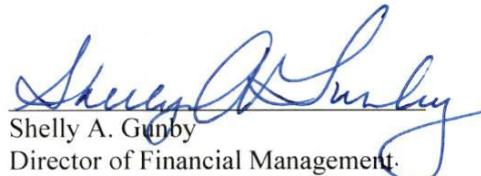
A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and are submitting it to the GFOA to determine its eligibility for another certificate.

This report could not have been prepared without the cooperation of all staff of the City of Winters. Also, we would like to acknowledge the professional work and advice of Van Lant and Fankhanel, LLP.

Respectfully Submitted:



John W. Donlevy, Jr.
City Manger



Shelly A. Gunby
Director of Financial Management

CITY OF WINTERS, CALIFORNIA

ELECTED AND APPOINTED OFFICIALS

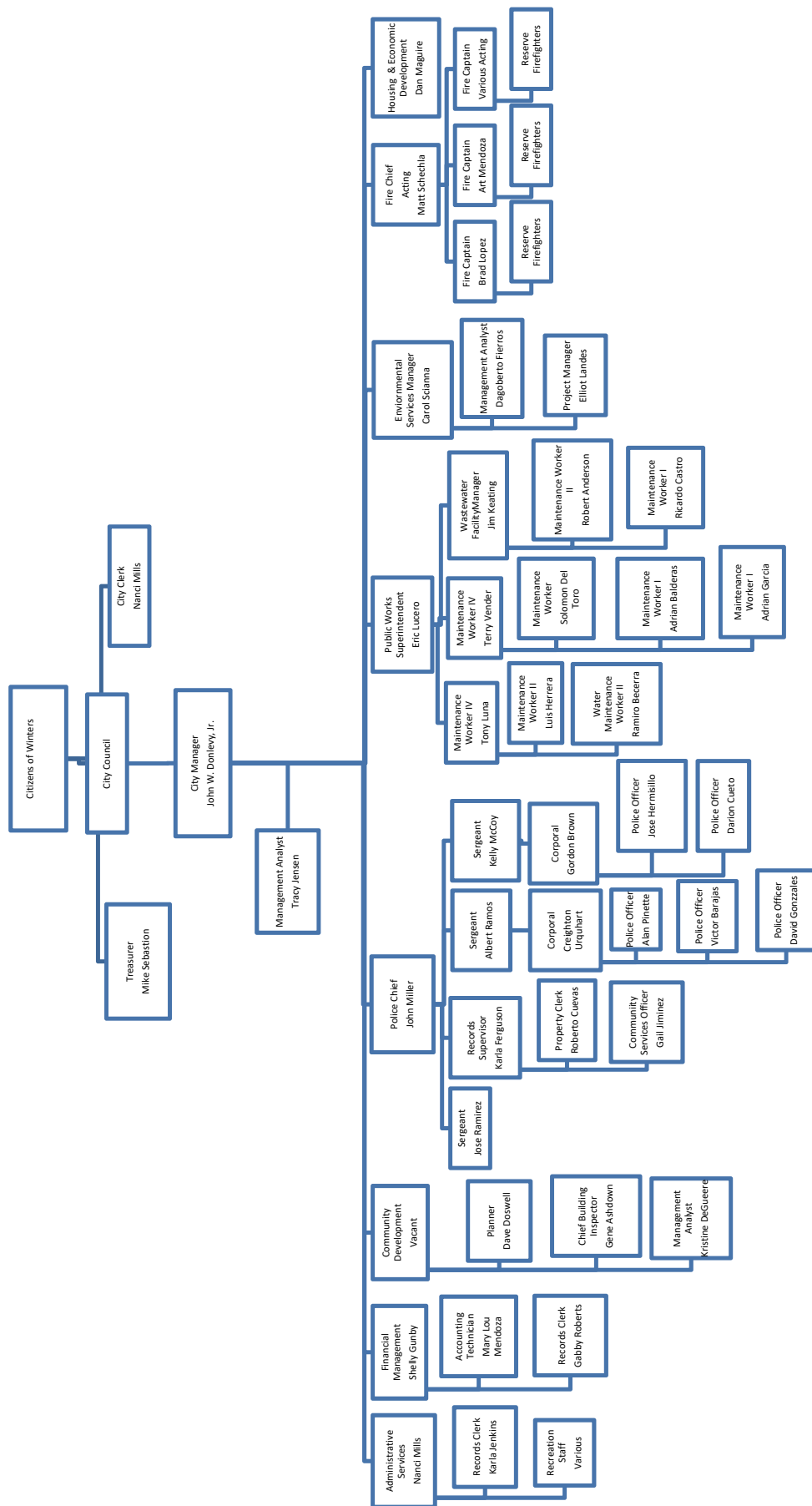


CITY COUNCIL

- *Wade Cowan*Mayor
- *Bill Biasi*Mayor Pro Tem
- *Pierre Neu*Council member
- *Harold Anderson*.....Council member
- *Jesse Lorens*Council member

APPOINTED OFFICIALS

- *John W. Donlevy, Jr*City Manager
- *John Miller*Police Chief
- *Nanci G. Mills*..... Director of Administrative Services
- *Shelly A. Gunby* Director of Financial Management
- *Vacant*Director of Community Development
- *Dan Maguire* .. .Housing & Economic Development Manager
- *Matt Schechla*Acting Fire Chief





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Winters
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION



Independent Auditor's Report

The Honorable City Council
City of Winters, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Winters (City), as of and for the year ended June 30, 2018, and the related notes to the financial statements which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Winters, as of June 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 9 to the financial statements, in fiscal year 2017-18, the City adopted new accounting guidance, *GASBS No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City's basic financial statements. The introductory section, schedules listed in the supplementary information section of the table of contents, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining statements and schedules listed in the supplementary information section of the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and schedules listed

in the supplementary information section of the table of contents are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated December 19, 2018, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Van Lant & Fankhaenel, LLP

December 19, 2018

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Management's Discussion and Analysis

As management of the City of Winters, we offer readers of the City of Winters financial statements this narrative overview and analysis of the financial activities of the City of Winters for the fiscal year ended June 30, 2018. We encourage readers to consider the information presented here in conjunction with the accompanying transmittal letter, the basic financial statements, and the accompanying notes to the basic financial statements.

The financial statements presented herein include all financial activities of the City and its component units in accordance with Governmental Accounting Standards Board Statement No. 34, "Basic Financial Statements-and Management's Discussion and Analysis-For State and Local Government" (GASB 34).

The Government-Wide Financial Statements present the financial position of the City using the economic resources measurement focus and the accrual basis of accounting. These statements present governmental activities and business-type activities separately. Also, these statements include all assets of the City, as well as all liabilities, including long-term debt. Additionally, in accordance with GASB 34, certain eliminations have been made related to inter-fund activity, payables, and receivables.

The Fund Financial Statements include governmental, proprietary, and fiduciary funds. The governmental funds are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. A reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the integrated approach under GASB 34. The proprietary funds are prepared using the economic resources measurement focus and the accrual basis of accounting. The fiduciary funds consist of trust and agency funds. Trust funds utilize the economic resources measurement focus and the accrual basis of accounting, while the agency funds only report a balance sheet (accrual basis of accounting) and do not have a measurement focus.

Financial Highlights

- The assets of the City of Winters exceeded its liabilities at the close of the most recent fiscal year by \$41,506,101 (net position). Of this amount,(\$1,897,979) is unrestricted net position. A nominal or negative unrestricted net position does not mean that the City of Winters is facing financial disaster, but rather, that the City of Winters has invested in projects or long term assets that are not reflected on the Statement of Net Position.
- As of the close of the current fiscal year, the City of Winters governmental funds reported combined ending fund balances of \$11,723,684 a decrease of \$1,359,771 in comparison with the prior fiscal year. Approximately 5% or \$564,626 is available for spending at the government's discretion (unrestricted fund balance).
- At the end of the current fiscal year, unrestricted fund balance for the general fund was \$912,045 or, 17.17% of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Winters basic financial statements. The City of Winters basic financial statements comprise three components:

1. Government-wide financial statements
 2. Fund Financial Statements
 3. Notes to the financial statements
-

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City of Winters finances, in a manner similar to a private-sector business.

The *Statement of Net Position* and the *Statement of Activities* report information about the City as a whole and its activities. These statements include all assets and liabilities of the City using the accrual basis of accounting and economic resources measurement focus, which is similar to the accounting used by most private-sector entities. Under the economic resources measurement focus, revenues are recognized when earned and expenses are recorded when the liability is incurred.

The *Statement of Net Position* reports the City's net position and changes in it. The Net Position is the differences between assets and liabilities, which is one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position is one indicator of whether its financial health is improving or deteriorating.

The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the changes occurs, regardless of the timing of related cash flows. Thus, revenues are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as uncollected taxes, and earned but unused vacation leave.

Both of the government-wide financial statements distinguish functions of the City of Winters that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business type activities.) The governmental activities of the City of Winters include; general government, public safety, public works, community development, parks and recreation, and streets and highways. The business-type activities of the City of Winters include the Water and Sewer functions of the City of Winters.

Fund Financial Statements

The fund financial statements provide detailed information about the City's major funds, not the City as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Winters, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the City of Winters can be divided into three (3) categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Governmental fund information helps determine whether there are more or less financial resources that can be spent in the near future to finance the City's programs. The differences between the Governmental Fund Financial Statements and the Government-Wide Financial Statements are explained in a reconciliation following the Government-Wide Financial Statements.

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

The City of Winters adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget.

Proprietary Funds. When the City charges customers for services, whether to outside customers or to programs of the City, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way in that all activities are reported in the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position. The City's enterprise funds are the same as the business-type activities reported in the Government-Wide Financial Statements, but provide more detail and additional information, such as cash flows, for each enterprise fund. The City also uses an internal service fund to report activities that provide supplies and services for the City's internal programs and activities.

Fiduciary funds. The City is the trustee, or fiduciary, for certain funds established to account for assets held by the City in a trustee capacity, or as an agent for individuals, private organizations, and other governmental units. The City's fiduciary activities are reported in a separate Fiduciary Statement of Net Position. These activities are excluded from the City's Government-Wide Financial Statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information

Combining statements are presented following the notes to the financial statements.

Government-wide Financial Analysis

The government-wide financial statements provide long-term and short-term information about the City of Winters overall financial condition. This analysis addresses the financial statements of the City as a whole.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Winters, assets exceeded liabilities by \$41,506,101 at the close of the most recent fiscal year.

78.46% of the City's net position reflects its investment in capital assets (e.g., land, buildings, and improvements other than buildings, equipment, infrastructure, and construction in progress); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The City reports its sewer and water activities as business-type activities and reports these activities in the government-wide statements.

An additional portion of the City of Winters net position, 26.11%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$1,897,979) or (4.57%) may be used to meet the government's ongoing obligations to citizens and creditors.

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

At the end of the current fiscal year, the City of Winters is able to report positive balances in all three categories of net position, governmental activities, business-type activities, as well as total activities.

TABLE 1
SUMMARY OF NET POSITION
AS OF JUNE 30

	Governmental Activities		Business-Type Activities		Totals	
	2018	2017	2018	2017	2018	2017
ASSETS:						
Current and other Assets	\$ 12,783,287	\$ 14,313,214	\$ 3,096,884	\$ 3,393,856	\$ 15,880,171	\$ 17,707,070
Capital Assets, net	29,146,309	24,511,108	10,339,082	8,725,241	39,485,391	33,236,349
TOTAL ASSETS	\$ 41,929,596	\$ 38,824,322	\$ 13,435,966	\$ 12,119,097	\$ 55,365,562	\$ 50,943,419
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Pension Related Items	\$ 1,510,799	\$ 1,394,056	\$ 246,130	\$ 214,768	\$ 1,756,929	\$ 1,608,824
TOTAL DEFERRED OUTFLOWS	\$ 1,510,799	\$ 1,394,056	\$ 246,130	\$ 214,768	\$ 1,756,929	\$ 1,608,824
LIABILITIES						
Liabilities due after one year	\$ 5,800,485	\$ 4,271,286	\$ 7,672,522	\$ 7,587,232	\$ 13,473,007	\$ 11,858,518
Other Liabilities	1,148,694	1,101,707	967,229	1,042,665	2,115,923	2,144,372
TOTAL LIABILITIES	\$ 6,949,179	\$ 5,372,993	\$ 8,639,751	\$ 8,629,897	\$ 15,588,930	\$ 14,002,890
DEFERRED INFLOWS OF RESOURCES						
Pension Actuarial Amounts	\$ 3,877	\$ 174,236	\$ 23,583	\$ 73,259	\$ 27,460	\$ 247,495
TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 3,877	\$ 174,236	\$ 23,583	\$ 73,259	\$ 27,460	\$ 247,495
NET POSITION						
Net Investment in Capital Assets	\$ 29,146,309	\$ 24,511,108	\$ 3,419,082	\$ 1,585,241	\$ 32,565,391	\$ 26,096,349
Restricted	10,290,547	10,783,609	548,142	544,565	10,838,689	11,328,174
Unrestricted	(2,949,517)	(623,568)	1,051,538	1,500,903	(1,897,979)	877,335
TOTAL NET POSITION	\$ 36,487,339	\$ 34,671,149	\$ 5,018,762	\$ 3,630,709	\$ 41,506,101	\$ 38,301,858

There was a decrease of \$493,062 in restricted net position reported in connection with the City of Winters' Governmental Activities. This increase is due to :

- Increase in the amount restricted for Parks and Recreation \$150,324
- Increase in the amount restricted for Housing Programs \$2,412,533
- Decrease in the amount restricted for Public Safety (\$2,446,544)
- Decrease in the amount restricted for Streets and Highways (\$477,632)
- Decrease in the amount restricted for Capital Projects (\$131,743)

The net position of the City of Winters increased by \$3,204,243 during the fiscal year. The increase in net position is due to the increase in net position in Governmental Activities of \$1,816,190 and an increase in Business-Type Activities of \$1,388,053. The discussion of each of the changes is included in the separate sections below.

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Governmental Activities

Governmental activities increased the City of Winters net position by \$1,816,190. The increase in net position is due to:

- Increase in liabilities (\$1,576,186)
 - The increase in liabilities is comprised of the following:
 - Decrease in Accounts Payable \$115,490
 - Increase in Accrued Payroll (\$115,747)
 - Decrease in Long term Debt due in one year \$13,810
 - Increase in Deposits (\$60,540)
 - Increase in Long term Debt due in more than one year (\$1,529,199)
- Increase in assets \$3,105,274
 - The increase in assets is comprised of the following
 - Increase in Capital Assets \$4,635,201
 - Decrease in Cash and investments (\$1,602,680)
 - Decrease in Restricted Cash (\$16,577)
 - Increase in Interest Receivable \$13,570
 - Increase in Amount Due from Developers \$7,795
 - Increase in Accounts Receivable \$165,116
 - Decrease in Notes Receivable (\$97,151).
- Increase of deferred outflows of resources to report pension information of \$116,743
- Decrease of deferred inflows of resources to report pension information of \$170,359

The Cost of all governmental activities during 2017-2018 was \$7,748,043. Some of the cost of governmental activities was paid by those who directly benefited from the programs in the amount of \$1,332,497 or by other governmental agencies and organizations that subsidized certain programs with grants and contributions in the amount of \$5,395,504. Overall, the City generated program revenues of \$6,728,001. The balance of the cost of governmental activities of \$977,561 was paid by the City of Winters sources of general revenues (taxes and general revenues).

The following table presents the changes in net position for the fiscal year ended June 30, 2018:

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

TABLE 2
CHANGE IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30

	Governmental Activities		Business-Type Activities		Totals	
	2018	2017	2018	2017	2018	2017
PROGRAM REVENUES						
Charges for services	\$ 1,332,497	\$ 1,351,051	\$ 3,203,179	\$ 3,060,263	\$ 4,535,676	\$ 4,411,314
Operating grants	895,232	1,037,512	-	-	895,232	1,037,512
Capital Grants	4,500,272	2,013,324	1,662,527	38,514	6,162,799	2,051,838
GENERAL REVENUES						
Property taxes	1,495,045	1,346,013	-	-	1,495,045	1,346,013
Sales and uses taxes	648,124	598,426	-	-	648,124	598,426
Motor Vehicle in lieu	-	-	-	-	-	-
Franchise fees	321,811	210,984	-	-	321,811	210,984
Utility Tax	735,466	760,075	-	-	735,466	760,075
Municipal services tax	305,030	300,621	-	-	305,030	300,621
Transient Occupancy Tax	11,485	7,198	-	-	11,485	7,198
Other Revenues	188,745	267,654	-	-	188,745	267,654
Gain on Sale of Land	-	-	-	-	-	-
Use Money and property	99,229	56,280	17,455	7,551	116,684	63,831
TOTAL REVENUES	<u>\$ 10,532,936</u>	<u>\$ 7,949,138</u>	<u>\$ 4,883,161</u>	<u>\$ 3,106,328</u>	<u>\$ 15,416,097</u>	<u>\$ 11,055,466</u>
EXPENSES						
Governmental Activities						
General Government	\$ 397,021	\$ 93,825	\$ -	\$ -	\$ 397,021	\$ 93,825
Public Safety	4,396,753	3,913,486	-	-	4,396,753	3,913,486
Public Works	369,210	352,619	-	-	369,210	352,619
Community Development	910,666	547,753	-	-	910,666	547,753
Parks and Rereation	1,021,930	768,571	-	-	1,021,930	768,571
Streets and Highways	652,463	720,719	-	-	652,463	720,719
Business Taype Activities						
Water			1,503,701	1,308,996	1,503,701	1,308,996
Sewer			1,826,345	1,807,044	1,826,345	1,807,044
TOTAL EXPENSES	<u>\$ 7,748,043</u>	<u>\$ 6,396,973</u>	<u>\$ 3,330,046</u>	<u>\$ 3,116,040</u>	<u>\$ 11,078,089</u>	<u>\$ 9,513,013</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE TRANSFERS	<u>\$ 2,784,893</u>	<u>\$ 1,552,165</u>	<u>\$ 1,553,115</u>	<u>\$ (9,712)</u>	<u>\$ 4,338,008</u>	<u>\$ 1,542,453</u>
CHANGE IN NET POSITION						
NET POSITION JULY 1	\$ 2,784,893	\$ 1,552,165	\$ 1,553,115	\$ (9,712)	\$ 4,338,008	\$ 1,542,453
Restatement of Net Position	34,671,149	33,118,984	3,630,709	3,640,421	38,301,858	36,759,405
NET POSITION JUNE 30	<u>(968,703)</u>	<u>(165,062)</u>	<u>(165,062)</u>	<u>(1,133,765)</u>	<u>(1,133,765)</u>	<u>-</u>
	<u>\$ 36,487,339</u>	<u>\$ 34,671,149</u>	<u>\$ 5,018,762</u>	<u>\$ 3,630,709</u>	<u>\$ 41,506,101</u>	<u>\$ 38,301,858</u>

Property taxes increased by \$149,032 or 11.07%. The major reason for the increase in property tax revenue is due to an increase in assessed values on property throughout the City of Winters, as well as an increase in pass through to the City from the Successor Agency to the dissolved Winters Community Development Agency.

Operating Contributions and Grants have decreased by (\$142,280) in 2017-2018 compared to 2016-2017.

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

- Grant funding for Streets and Roads increased by \$1,323 due to small increases in the Highway User Tax Account (HUTA , also known as Gas Tax).
- Park and Recreation Grants decreased by (\$2,808) due to reduced contributions for the Boost Program.
- Public Safety Operating Grants decreased by (\$139,795). This decrease is due to payments to reimburse the City of Winters for providing staffing to State Wildfires, this amount varies from year to year dependent on the fire situation and the amount of mutual aid requested.
- Community Development Operating Grants decreased by (\$1,000) due to a final payment on a grant.

Capital Contributions and Grants have increased from 2016-2017 amounts by \$2,486,948. This is due to the one time nature of grants. Information on Grants, below are the details of the change in grant funding for the City of Winters from 2016-2017 to 2017-2018.

- Public Safety Grants received decreased by (\$5,802) compared to 2016-2017 due to the one time nature of grants. Funds were received and expended in 2016-2017 that were not available in 2017-2018.
- Public Works Grants increased by \$719,951 from 2016-2017 due to the one time nature of grants. Grant funds were received for the Grant Avenue Roundabout in 2017-2018.
- The amount of grant funding received for Community Development projects was (\$86,654) less in 2017-2018 than in 2016-2017.
- The Parks Department received grant funding in the amount of \$2,808,328 for the completion of Walnut Park in 2017-2018.

Charges for Services have decreased from the 2017-2018 fiscal year by (\$18,554). Below are the details of the changes in charges for services from 2017-2018 compared to 2016-2017

- Decreases in service charges for the Public Safety were (\$64,903). The decrease is due to a reduction in contributions for funding a new Canine Program and for funding a Cadet program collected in 2016-2017 that were not collected in 2017-2018. Additionally, impact fee collections were less in 2017-2018 than in 2016-2017 due to fewer buildings being completed in the 2017-2018 year.
 - Service charges for Community Development increased by \$25,648 from 2016-2017, this is an increase in the permit fees and plan check fees due to increased activity in the planning and building department in 2017-2018, increased activity included plan checking of subdivisions in preparation of issuing permits in early 2018-2019.
 - The service charges for Public Works decreased by (\$103,799) from 2016-2017 due to an decrease in Impact Fees collected. While new projects are going through the plan check and review process, increasing revenues in the planning and building department, impact fees will not be collected until the buildings are completed.
 - Parks and Recreation service charges increased by \$4,990 due to small increases in participation in all the programs offered by the park and recreation department.
 - General Government service charges increased by \$289,786 from 2017-2018. This is due to the receipt of Administrative Allowance from the Successor Agency of the Dissolved Winters
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CITY OF WINTERS, CALIFORNIA

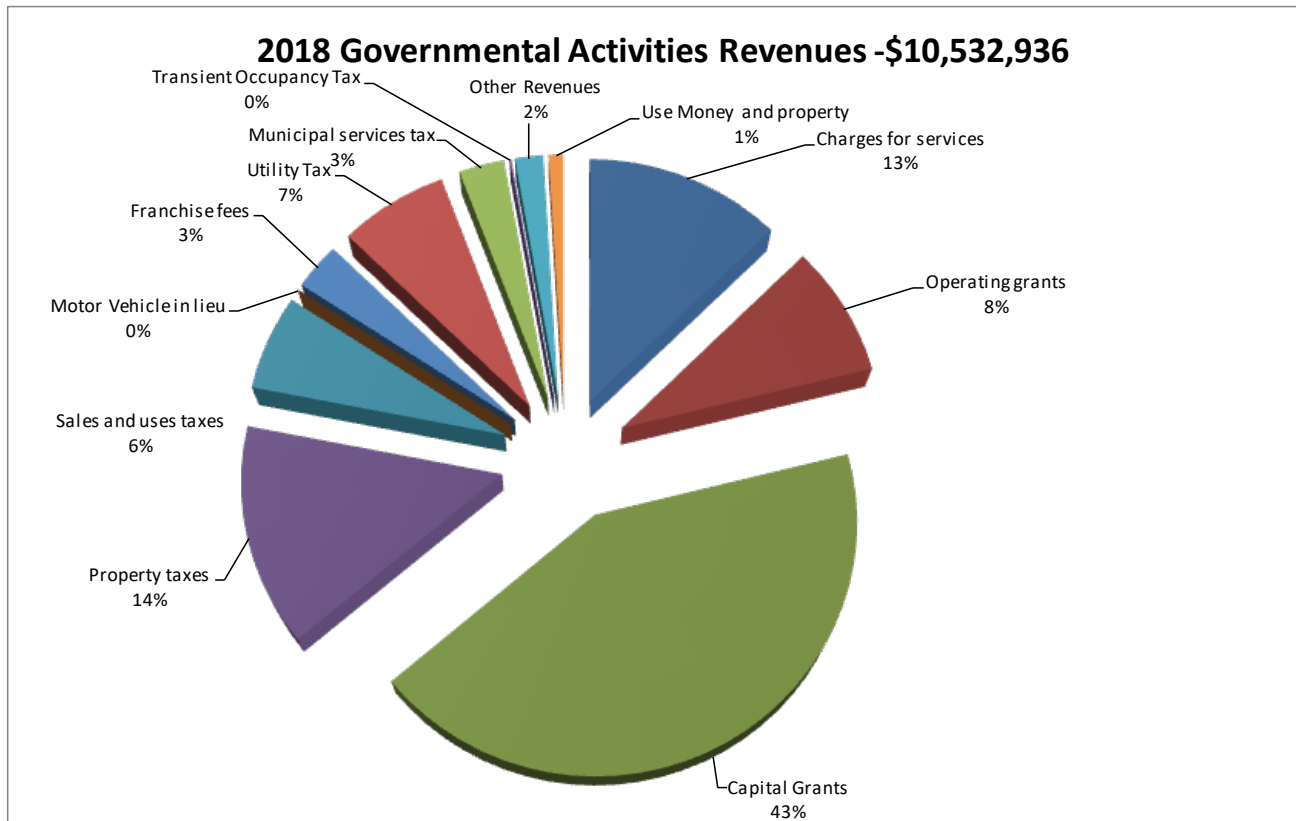
MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Community Development Agency and the administrative fee collected from developers for the processing and overseeing consultant contracts related to the developers projects.

General revenues increased \$257,684 from 2017-2018. Property tax revenue was increased by \$149,032 due to increased assessed values on property city wide, and the increase in pass through from the Successor Agency to the Dissolved Winters Community Development Agency. The net change in all the other revenues is an increase \$108,652. The detail of the other revenue sources are detailed below:

- Sales and Use Taxes increased by \$49,698
- Utility User Tax decreased by (\$24,609)
- Investment Revenues are \$42,949 higher in 2017-2018 than in 2016-2017
- Franchise Fees decreased by \$110,827
- Other revenues sources had decreases from 2016-2017 that when aggregated with the larger changes above totaled (\$70,213) in decreases.

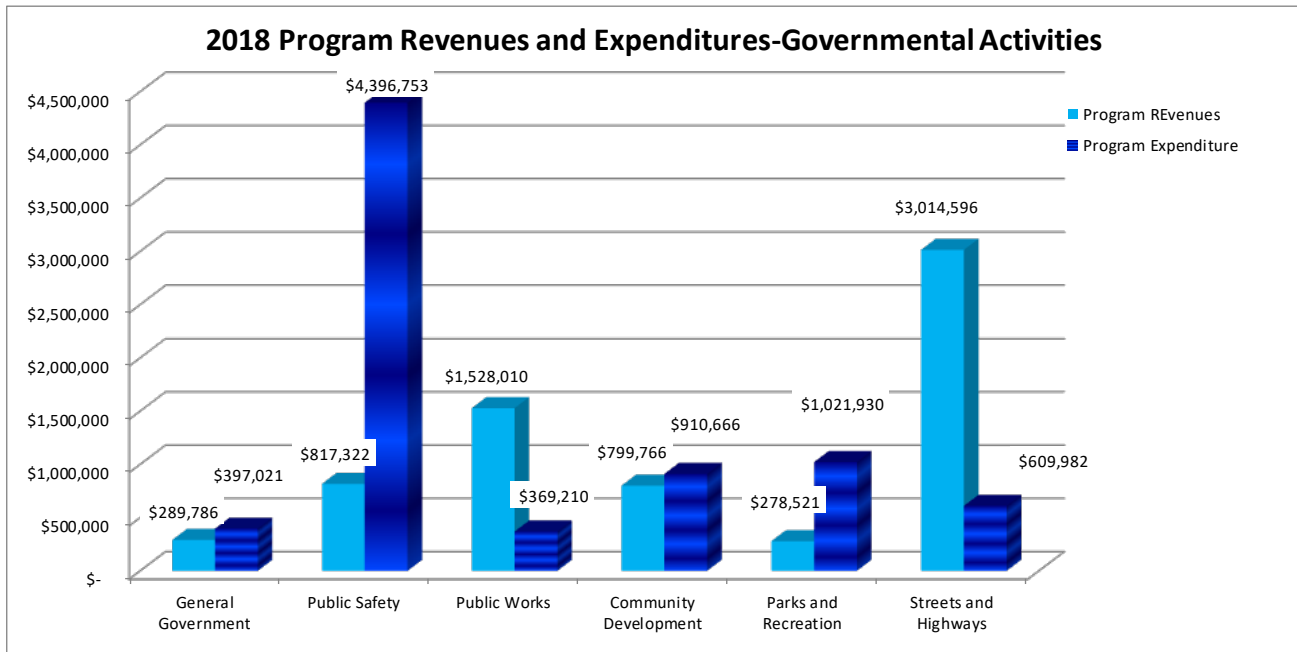
Revenues by Source-Governmental Activities



CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Program Revenues and Expenses -Governmental Activities



Governmental activity expenses increased by \$1,351,070 compared to 2016-2017 for the following reasons:

- Increase in Community Development Expenditures of \$362,913 due to the one time nature of Grants issued for affordable housing development within the City of Winters.
- Increase in General Government of \$303,196. The increase in General Government is due to recording Administrative Funding from the Successor Agency as a revenue, instead of allocating the costs out of the General Government into the Successor Agency.
- Increase in Public Safety of \$483,267, this reflects higher expenditures for overtime that was paid for Fire Staff to respond to CalFire managed fires, reimbursement was received from the State of California for this overtime and is included in the Operating grants and contributions. California experienced many fires late in 2017 that required assistance through mutual aid, increasing the amount of overtime for Fire Crews beyond what we have experienced in the past.
- Increase in Public Works expenditures in the amount of \$16,591, this increase is due staff education and promotions as a result of the education and testing process.
- Increase in expenditures of \$253,359 for Parks and Recreation. The increase in expenditures is due to the one time nature of Park Grants. Current year expenditures are limited to the

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

funds received for completing the development of Walnut Park which is a new park adjacent to a newly built affordable housing project.

- Decrease in expenditures in Streets and Highways of (\$68,256). This decrease is due to the one time nature of grants for Street and Road work, because these projects are typically multi-year projects, funding varies depending on the progress of each project year to year.

Business-Type Activities

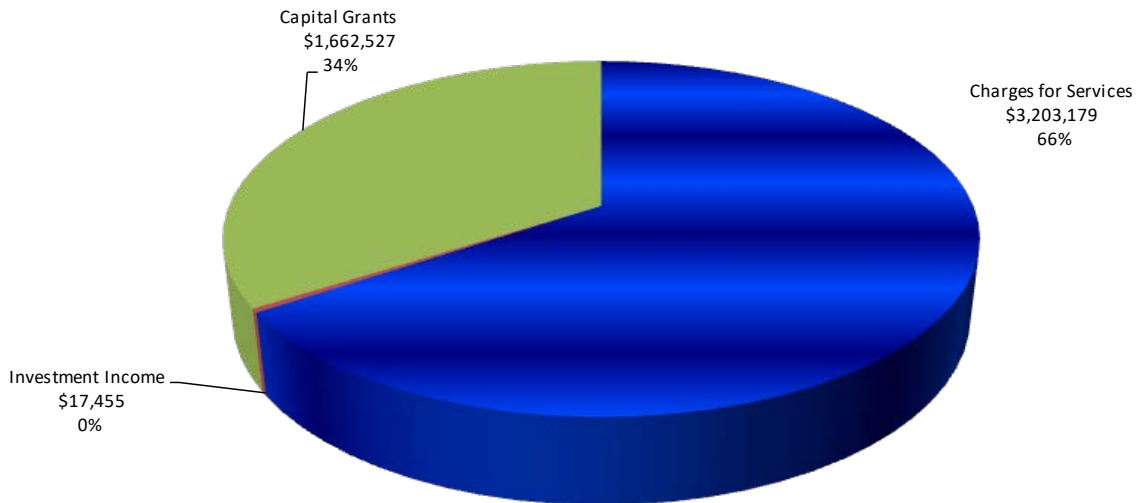
Business-type activities increased the City of Winters net position by \$1,388,053. Key elements of the increase in the net position are as follows:

- The Water O & M fund increased net position by \$497,515 for the fiscal year.
 1. Assets increased by \$385,965. Restricted Cash increased by \$8,413, Cash and investments decreased by (\$156,478), Accounts Receivables decreased by (\$22,687) from 2016-2017 while Depreciable Capital Assets increased by \$773,420. Interest Receivable increased by \$511 and Non-Depreciable Assets decreased by (\$217,514)
 2. Deferred Outflows of Resources, increased by \$17,254.
 3. Liabilities decreased by (\$86,032), increases were due to an increase in Long Term Debt of \$27,534 while Accounts Payable decreased by (\$118,654). Other liabilities combined increased by \$5,088
 4. Deferred Inflow of Resources decreased by (\$8,264).
- The Sewer O & M Fund increased net position of the City of Winters by \$890,538.
 1. Assets increased by \$930,904. Cash decreased by (\$161,030) and Restricted Cash increased by \$29,775, Capital Assets increased by \$1,057,935, Accounts Receivable increased by \$2,644 and Interest Receivable increased by \$1,580.
 2. Deferred Outflows of Resources increased by \$14,108.
 3. Liabilities increased by \$95,886, Accounts Payable increased by \$8,868, Deposits Payable increased by \$27,838, Interest Payable decreased by (\$1,450), Compensated Absences increased by \$2,874 and Long term debt due after one year increased by \$57,756.
 4. Deferred Inflow of Resources, decreased by (\$41,412).

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

2018 Business-type Activities Revenues \$4,883,161



Financial Analysis of the Government's Funds

As noted earlier, the City of Winters uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City of Winters governmental funds is to provide information on near-term inflow, outflows and balances of spendable resources. Such information is useful in assessing the City of Winters financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Winters governmental funds reported combined ending fund balances of \$11,723,684, a decrease of (\$1,359,771) in comparison with the prior fiscal year. Approximately 4.82% or \$564,626 is available for spending at the government's discretion (unassigned fund balance). The remainder of the fund balance is reserved to indicate that it is unavailable for new spending because it is restricted for various purposes (see Note 1L).

The General Fund is the chief operating fund of the City of Winters, accounting for all financial resources traditionally associated with government activities that are not legally required to be accounted for in another fund.

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

The General Fund ended the fiscal year with a fund balance of \$1,369,866 which is a decrease of (\$200,646) as compared to the prior fiscal year. The fund balance is composed of 5 components as designated by the City Council these classifications and amounts are:

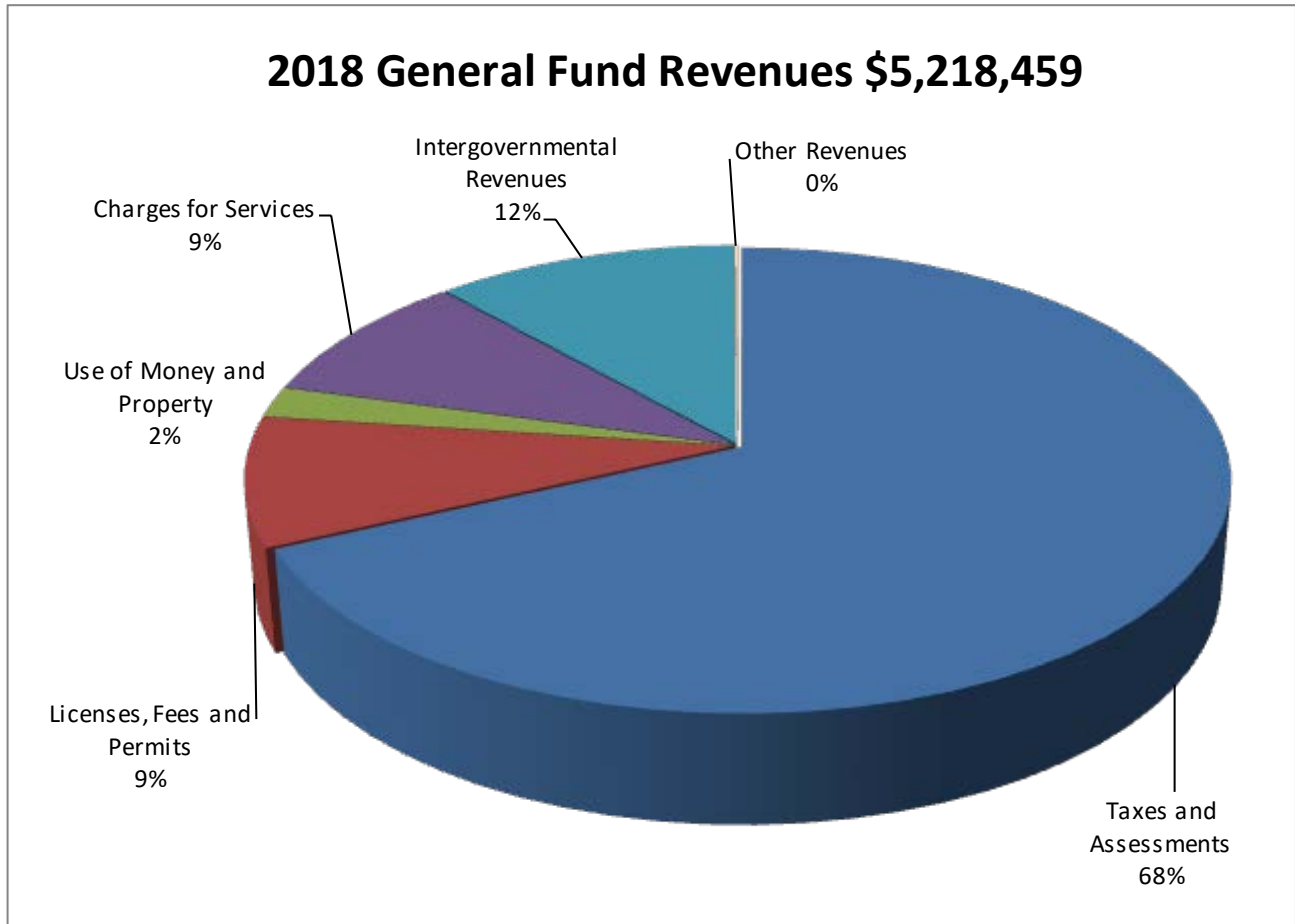
1. Non-spendable Fund balance- \$457,821. These are a portion of the fund balance that cannot be spent because it is not in a spendable form, such as a receivables.
2. Restricted Fund Balance- \$-0-. These are amounts that are restricted by the source of the funds, such as a grant.
3. Committed Fund Balance- \$0. These are amounts that are restricted due to a formal action of the City Council.
4. Assigned Fund Balance- \$0 These amounts are funds that are intended for a specific purpose, but for which no formal action has yet to be taken by the City Council.
5. Unassigned fund balance \$ 912,045. This portion of the fund balance is that does not fall into one of the other four categories.

General Fund revenues for the fiscal year ended June 30, 2018 were \$5,218,459 comprised of the following:

	Amount
Taxes and Assessments	\$ 3,552,646
Licenses, Fees and Permits	469,437
Use of Money and Property	111,767
Charges for Services	477,320
Intergovernmental Revenues	604,525
Other Revenues	2,764
	<u>\$ 5,218,459</u>

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2018



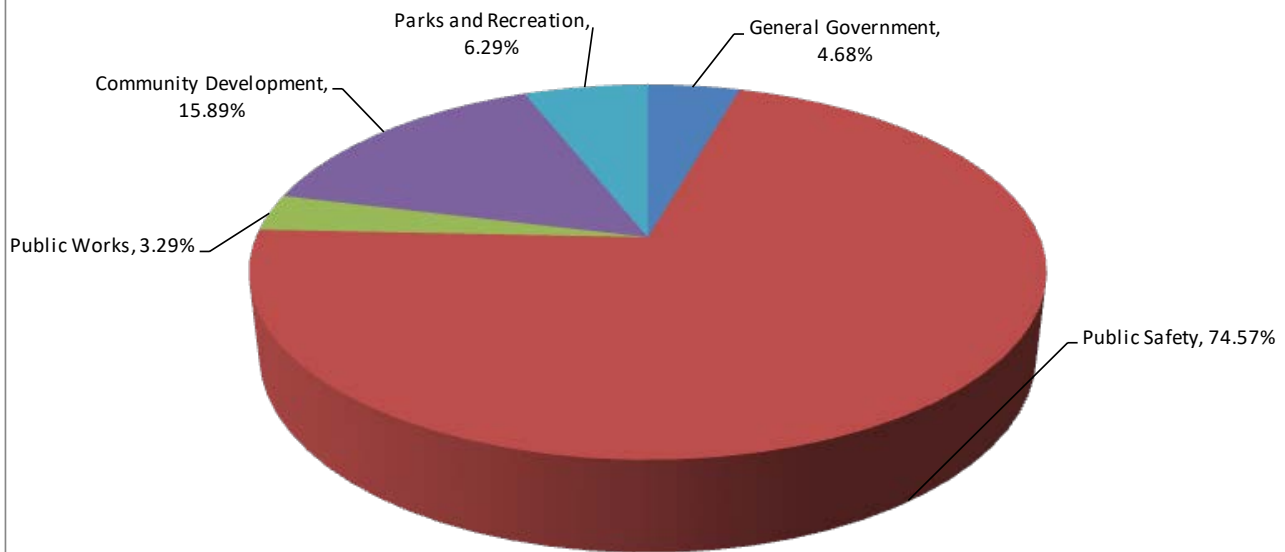
General Fund expenditures were \$5,310,772 for the fiscal year ended June 30, 2018 as illustrated in the charts that follow:

	Amount
General Government	\$ 237,159
Public Safety	3,781,988
Public Works	166,787
Community Development	805,723
Parks and Recreation	319,115
Capital Outlay	-
TOTAL	\$ 5,310,772

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

2018 General Fund Expenditures - \$5,310,772



Other Major Funds

HOME CHOC Fund

The HOME CHOC Fund is used to account for the expenditures of HOME Funds granted to CHOC (Community Housing Opportunities Corporation) for the construction of a 45 unit affordably restricted apartment complex located within the City of Winters. The City received grant funds from the HOME program and loaned the funds to CHOC to construct the apartments.

Revolving Loan Fund

The Revolving Loan Fund is used to account for the repayment of CDBG (Community Development Block Grants) and EDBG (Economic Development Block Grants) that have been made for residential and business loans through Grants from Federal and State Programs. This fund also accounts for expenditures of the repaid funds for additional programs that qualify for funding under the CDBG and EDBG guidelines.

Roundabout Project Fund

The Roundabout Project Fund is used to account for various federal and state grants used to fund the construction of the roundabout on State Highway 128, or Grant Avenue as the portion inside the City Limits is named.

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Proprietary Funds

The City of Winters proprietary funds financial statement provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water and Sewer funds at the end of the year amounted to \$334,806 and \$716,732 respectively. Both the Water and Sewer fund had a reduction in Net Position during the fiscal year. Other factors concerning the finances of these two funds have already been addressed in the discussion of the City of Winters business-type activities.

General fund Budgetary Highlights

The City's annual budget is the legally adopted expenditure control document of the City. Budgets are prepared on a modified accrual basis consistent with GAAP, except that for budgetary purposes:

- Revenues are recorded when received.
- Interfund loans and repayments are recorded as revenues and expenditures.
- Capital expenses are budgeted as an expense.
- Encumbrances are included in budgeted expenditures.

Unexpended appropriations lapse at year-end. The City Council reauthorizes appropriations for continuing projects and activities. The City Council has the legal authority to amend the budget of any fund at any time during the fiscal year. The budget is adopted at the fund and department level. The City Manager is authorized to make transfers between account codes and departments within each fund, except for contingencies. City Council approval is required for transfers between funds, except those inter-fund transfers approved in the budget and must authorize any revisions which alter total expenditures of the city.

The following areas had budget adjustments approved by the City Council during the Fiscal year:

- General Fund:
 - Revenue Reduction for Taxes and assessments due to changing expected completion dates two hotels.
 - Revenue increases for change of permitting dates for large residential and commercial projects.
 - Public Safety-Budget decrease of \$246,722 due to reduction in staffing approvals at the mid-year review based on projected revenue adjustments.

General Fund revenues were higher than budget amounts in total, the sources of revenue are as follow:

- ❖ Taxes and Assessments
 - Revenues were higher than budgeted by \$6,380, UUT(Utility User) tax and the Transient Occupancy Tax (TOT) had higher revenues than budgeted, while Sales Tax and Property Tax and Municipal Services Tax had lower revenues than budgeted, combined together, the net effect was a higher than budgeted amount.
- ❖ Licenses, Fees, and permits
 - Revenues were lower than budgeted by \$249,079 because developers did not pull permits for 2 major projects that were anticipated during the year.

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

- ❖ Use of Money and Property
 - Revenues were more than budgeted by \$44,665, due to the addition of rental income from an underutilized city building that a new tenant moved into to allow for additional development in the core downtown area.
- ❖ Intergovernmental Revenues
 - Revenues were more than budgeted by \$441,025 due to the reimbursement from the State of California for the expenditures for constructing Walnut Park.
- ❖ Charges for Services
 - Revenues were more than budgeted by \$33,912, this is due to a small decrease in the use of the swimming pool, other recreation activities, Fire District Reimbursement for services and Planning fees.
- ❖ Other Revenue
 - Revenues were more than budgeted by \$2,764.

Expenditures were higher than budgeted throughout the organization in 2015-2016. Explanations are as follows:

- ❖ General Government
 - General Government spent less than budgeted by \$43,470 due to staff extremely cautious in spending as we became aware that certain revenue sources were going to be less than anticipated.
- ❖ Public Safety
 - Both Police and Fire Departments had expenditures higher than budgeted for the fiscal year. This is due to overtime in the Fire Department for providing staff to CalFIRE during the wildfire season, which was reimbursed in the "other revenue" section, and for police overtime as turnover in staffing caused shortages and required overtime to staff all shifts.
- ❖ Public Works
 - Expenditures were less than budgeted in part due to staff being extremely cautious in spending as we became aware that certain revenue sources were going to be less than anticipated.
- ❖ Community Development
 - Community Development expenditures were higher than budgeted due to increased costs for the addition of a part time Associate Planner position in the Planning Division, and cost of contract plan check and inspection on large projects. Costs for the contract plan review are included in the charges for services revenue line item, which was higher than budgeted.
- ❖ Parks and Recreation
 - Expenditures were higher than budgeted due to the increased popularity, and therefore increased costs for the Munchkin Summer Program costs, as well as increased rental and therefore increased staffing costs for the Community Center.

Capital Asset and Debt Administration

Capital Assets

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

The City of Winters investment for capital assets for its governmental and business type activities as of June 30, 2018, amounts to \$39,485,391 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, water wells and distribution and sewer plant and collection facilities.

TABLE 3
CAPITAL ASSETS, NET OF DEPRECIATION
FOR THE FISCAL YEAR ENDED JUNE 30

	Governmental Activities		Business Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Capital Assets not being Depreciated:						
Construction in Progress	\$ 162,908	\$ 622,802	\$ 112,919	308,416	\$ 275,827	\$ 931,218
Land	686,080	686,080	682,979	682,979	1,369,059	1,369,059
	-	-	-	-	-	-
Depreciable Capital Assets, Net:						
Water Pipes	-	-	3,810,340	3,015,899	3,810,340	3,015,899
Sewer Plant and Pipes	-	-	4,687,691	3,589,998	4,687,691	3,589,998
Buildings	10,207,747	10,427,355	-	-	10,207,747	10,427,355
Machinery and Equipment	-	-	733,660	807,906	733,660	807,906
Vehicles and Equipment	479,864	574,529	-	-	479,864	574,529
Infrastructure	17,609,710	12,200,342	311,493	320,043	17,921,203	12,520,385
TOTAL	\$ 29,146,309	\$ 24,511,108	\$ 10,339,082	\$ 8,725,241	\$ 39,485,391	\$ 33,236,349

Capital asset additions during 2017-2018 include the following:

- Futsol Court at City Park
- West Main and Grant Avenue Traffic Signal
- Grant and Walnut Roundabout
- First Street Pavement Rehabilitation
- Streets in the Winters Ranch Subdivision
- Park in the Winters Ranch Subdivision
- Matsumoto Lane/Starbucks Street Improvement
- PG&E Infrastructure
- PG&E Diversion Channel
- Sewer Irrigation Pump
- Sewer Aerator Upgrade
- Newt's Expressway Sewer Line Replacement
- Sewer Infrastructure for Winters Ranch Subdivision
- Storm Drain Infrastructure for Winters Ranch Subdivision
- Matsumoto Lane/Starbucks Sewer Infrastructure
- Matsumoto Lane/Starbucks Storm Drain Infrastructure
- PG&E Sewer Infrastructure
- PG&E Storm Drain Infrastructure
- Newt's Expressway Water Line Replacement

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

- Water Infrastructure for Winters Ranch Subdivision
- Matsumoto Lane/Starbucks Water Infrastructure
- Well #6 Rehabilitation

Additional information on the City of Winters capital assets can be found in Note 6 of this report.

Long-term Debt

At June 30, 2018, the City of Winters had \$13,473,007 in total long-term debt, compared to \$11,858,538 on June 30, 2017.

The following table provides a breakdown of the City's outstanding indebtedness as of June 30, 2018 and 2017:

TABLE 4
OUTSTANDING DEBT
FOR THE FISCAL YEAR ENDED JUNE 30

	Governmental Activities		Business-type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Revenue Bonds:						
2007 Water Bonds	\$ -	\$ -	\$ 3,175,000	3,275,000	\$ 3,175,000	\$ 3,275,000
2007 Sewer Bonds	-	-	3,745,000	3,865,000	3,745,000	3,865,000
Compensated Absences	358,765	444,193	79,103	88,046	437,868	532,239
Post Employment Benefits	-	75,872	-	19,564	-	95,436
Net OPEB Liability	1,146,092		202,569		1,348,661	-
Net Pension Liability	4,389,183	3,858,586	716,500	583,175	5,105,683	4,441,761
Totals	5,894,040	4,378,651	7,918,172	7,830,785	13,812,212	12,209,436
Less: due within one year	(93,555)	(107,365)	(245,650)	(243,533)	(339,205)	(350,898)
TOTALS	\$ 5,800,485	\$ 4,271,286	\$ 7,672,522	\$ 7,587,252	\$ 13,473,007	\$ 11,858,538

The Water Revenue bonds are paid from the service charge received for water service by customers of the Water Enterprise Fund. The Water Enterprise Fund issued bonds in September 2007. For more information on the Water Revenue bonds, please see Note 7 of this report.

The Sewer Revenue bonds are paid from the service charge received for sewer service by the customers of the Sewer Enterprise Fund. The Sewer Enterprise Fund issued bonds in September 2007. For more information on the Sewer Revenue bonds, please see Note 7 of this report.

The Increase in the long-term debt is related to Net OPEB Liability and Net Pension Liability. The City implemented GASB75 in the current year, and recorded Net OPEB liability which increased the Long term outstanding debt by \$1,348,661 for 2017-2018 over 2016-2017.

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Economic Factors and Next Years Budgets and Rates

- Realization of development in both the Housing and Commercial Sectors.
- Implementation of Public Employee Pension Reform Act (PEPRA) adopted by the State of California.
- Easing of Wage and Benefit Concessions from employees as assessed values impacting property tax revenues and sales tax revenues recover.
- Employee Retention programs
- Implementation of Economic Development Projects to encourage additional Economic Development Growth.
- Small increase in assessed values of properties throughout the City.
- Continued monitoring of water issues due to the ongoing drought, including usage, rates and compliance with State of California mandates, particularly the Chr6 issue.
- Increase in Water and Sewer rates to stabilize the Enterprise funds and provide for the funding to meet the coverage requirements in the bond agreements.

All of the above factors were considered in the preparation of the City of Winters 2018-2020 budget.

The water rates were adjusted in September 2015 to eliminate the tier structure according to the decision in Capistrano Taxpayer Association vs City of San Juan Capistrano decision. Rates were also adjusted to provide appropriate revenues for operating the Water System with the reduced usage required by the State of California. Additional rate increases are being proposed for 2018 and future years to ensure that both enterprise funds have revenues sufficient to operate the funds properly and to fully meet the coverage requirements in the bond documents. Additionally, staff will be looking at refunding opportunities to help reduce borrowing costs where feasible.

Requests for Information

This management's discussion and analysis is designed to provide the City's residents, taxpayers, customer, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Financial Management, 318 First St., Winters, CA 95694.

BASIC FINANCIAL STATEMENTS

City of Winters
Statement of Net Position
June 30, 2018

	Governmental Activities	Business-type Activities	Totals
ASSETS			
Cash and Investments	\$ 6,814,043	\$ 1,666,271	\$ 8,480,314
Receivables:			
Accounts	1,016,493	385,452	1,401,945
Interest	22,984	4,332	27,316
Due from Developers	58,830	-	58,830
Notes Receivable	4,130,729	-	4,130,729
Due from Successor Agency	457,821	-	457,821
Restricted Cash and Investments	282,387	1,040,829	1,323,216
Capital Assets:			
Land	686,080	682,979	1,369,059
Construction in Process	162,908	112,919	275,827
Other Capital Assets, Net	28,297,321	9,543,184	37,840,505
Total Assets	<u>41,929,596</u>	<u>13,435,966</u>	<u>55,365,562</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Pension Related Items	<u>1,510,799</u>	<u>246,130</u>	<u>1,756,929</u>
LIABILITIES			
Accounts Payable	426,030	124,618	550,648
Accrued Payroll Liabilities	269,218	-	269,218
Interest Payable	-	104,274	104,274
Deposits	359,891	492,687	852,578
Noncurrent Liabilities:			
Due Within One Year	93,555	245,650	339,205
Due in More Than One Year	5,800,485	7,672,522	13,473,007
Total Liabilities	<u>6,949,179</u>	<u>8,639,751</u>	<u>15,588,930</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Pension Related Items	<u>3,877</u>	<u>23,583</u>	<u>27,460</u>
NET POSITION			
Net Investment in Capital Assets	29,146,309	3,419,082	32,565,391
Restricted for:			
Parks and Recreation	166,299	-	166,299
Housing Programs	5,996,545	-	5,996,545
Public Safety	1,001,280	-	1,001,280
Streets and Highways	615,968	-	615,968
Capital Projects	2,510,455	-	2,510,455
Debt Service	-	548,142	548,142
Unrestricted	(2,949,517)	1,051,538	(1,897,979)
Total Net Position	<u>\$ 36,487,339</u>	<u>\$ 5,018,762</u>	<u>\$ 41,506,101</u>

The accompanying notes are an integral part of this statement.

City of Winters
Statement of Activities
Year Ended June 30, 2018

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 397,021	\$ 289,786	\$ -	\$ -
Public Safety	4,396,753	299,947	517,375	-
Public Works	369,210	130,124	-	1,397,886
Community Development	910,666	500,708	5,000	294,058
Parks and Recreation	1,021,930	111,932	166,589	-
Streets and Highways	652,463	-	206,268	2,808,328
Total Governmental Activities	7,748,043	1,332,497	895,232	4,500,272
Business-type Activities:				
Water	1,503,701	1,493,316	-	564,820
Sewer	1,826,345	1,709,863	-	1,097,707
Total Business-type Activities	3,330,046	3,203,179	-	1,662,527
Total Primary Government	<u>\$ 11,078,089</u>	<u>\$ 4,535,676</u>	<u>\$ 895,232</u>	<u>\$ 6,162,799</u>
General Revenues:				
Taxes:				
Property Taxes				
Sales and Use Taxes				
Franchise Fees				
Utility Tax				
Municipal Service Tax				
Transient Occupance Tax				
Other Revenues				
Investment Income				
Total General Revenues and Transfers				
Change in Net Position				
Net Position - Beginning of Year				
Restatement of Net Position				
Net Position - End of Year				

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position

Governmental Activites	Business-type Activities	Totals
\$ (107,235)	\$ -	\$ (107,235)
(3,579,431)	-	(3,579,431)
1,158,800	-	1,158,800
(110,900)	-	(110,900)
(743,409)	-	(743,409)
2,362,133	-	2,362,133
(1,020,042)	-	(1,020,042)
-	554,435	554,435
-	981,225	981,225
-	1,535,660	1,535,660
(1,020,042)	1,535,660	515,618
1,495,045	-	1,495,045
648,124	-	648,124
321,811	-	321,811
735,466	-	735,466
305,030	-	305,030
11,485	-	11,485
188,745	-	188,745
99,229	17,455	116,684
3,804,935	17,455	3,822,390
2,784,893	1,553,115	4,338,008
34,671,149	3,630,709	38,301,858
(968,703)	(165,062)	(1,133,765)
<u>\$ 36,487,339</u>	<u>\$ 5,018,762</u>	<u>\$ 41,506,101</u>

The accompanying notes are an integral part of this statement.

City of Winters
Balance Sheet
Governmental Funds
June 30, 2018

		Special Revenue	
	General Fund	HOME-CHOC Fund	Revolving Loan Fund
ASSETS			
Cash and Investments	\$ 360,602	\$ -	\$ 821,191
Receivables:			
Accounts	566,368	-	2,608
Interest	5,205	-	531
Due from Developers	58,830	-	-
Notes	12,182	2,843,180	606,823
Due from Other Funds	570,727	-	29,070
Advance to Successor Agency	457,821	-	-
Advances to Other Funds	-	-	-
Restricted Cash and Investments	269,218	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 2,300,953</u>	<u>\$ 2,843,180</u>	<u>\$ 1,460,223</u>
LIABILITIES			
Accounts Payable	\$ 312,978	\$ -	\$ 18,616
Accrued Payroll Liabilities	269,218	-	-
Deposits	348,891	-	-
Due to Other Funds	-	-	-
Advances from Other Funds	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>931,087</u>	<u>-</u>	<u>18,616</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenues - Grants Receivable	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)			
Nonspendable	457,821	-	-
Restricted	-	2,843,180	1,441,607
Committed	-	-	-
Unassigned	912,045	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances (Deficits)	<u>1,369,866</u>	<u>2,843,180</u>	<u>1,441,607</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 2,300,953</u>	<u>\$ 2,843,180</u>	<u>\$ 1,460,223</u>

The accompanying notes are an integral part of this statement.

Capital Projects Roundabout Project Fund	Total Non-major Governmental Funds	Totals
\$ -	\$ 5,584,626	\$ 6,766,419
207,816	239,701	1,016,493
-	17,248	22,984
-	-	58,830
-	668,544	4,130,729
-	-	599,797
-	-	457,821
-	125,000	125,000
-	13,169	282,387
<u>\$ 207,816</u>	<u>\$ 6,648,288</u>	<u>\$ 13,460,460</u>
\$ -	\$ 51,276	\$ 382,870
-	-	269,218
-	11,000	359,891
207,816	391,981	599,797
-	125,000	125,000
<u>207,816</u>	<u>579,257</u>	<u>1,736,776</u>
<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>
-	-	457,821
-	6,280,741	10,565,528
-	135,709	135,709
-	(347,419)	564,626
-	6,069,031	11,723,684
<u>\$ 207,816</u>	<u>\$ 6,648,288</u>	<u>\$ 13,460,460</u>

The accompanying notes are an integral part of this statement.

City of Winters
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2018

Fund Balances of Governmental Funds	\$ 11,723,684
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Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.

Land	\$ 686,080	
Construction in Progress	162,908	
Buildings and Improvements	14,143,985	
Vehicles and Equipment	2,845,808	
Infrastructure	20,157,163	
Less: Accumulated Depreciation	<u>(8,849,635)</u>	29,146,309

In governmental funds, other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	-
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.

Compensated Absences	(358,765)
Net OPEB Liability	(1,146,092)
Net Pension Liability	(4,389,183)

Amounts for deferred inflows and deferred outflows related to the City's Net Pension Liability are not reported in the funds.

Deferred Outflows Related to Pensions	1,510,799
Deferred Inflows Related to Pensions	(3,877)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position.	<u>4,464</u>
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Net Position of Governmental Activities	<u><u>\$ 36,487,339</u></u>
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The accompanying notes are an integral part of this statement.

City of Winters
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2018

		Special Revenue	
	General Fund	HOME-CHOC Fund	Revolving Loan Fund
REVENUES			
Taxes and Assessments	\$ 3,552,646	\$ -	\$ -
Fines and Forfeitures	-	-	-
Licenses, Fees, and Permits	469,437	-	-
Use of Money and Property	111,767	-	14,861
Intergovernmental Revenues	604,525	-	-
Charges for Services	477,320	-	-
Other Revenues	2,764	-	-
Total Revenues	5,218,459	-	14,861
EXPENDITURES			
Current:			
General Government	237,159	-	-
Public Safety	3,781,988	-	-
Public Works	166,787	-	-
Community Development	805,723	-	83,678
Parks and Recreation	319,115	-	-
Streets and Highways	-	-	-
Capital Outlay	-	-	-
Total Expenditures	5,310,772	-	83,678
Excess (Deficiency) of Revenues Over Expenditures	(92,313)	-	(68,817)
OTHER FINANCING SOURCES (USES)			
Transfers In	12,831	-	81,368
Transfers Out	(121,164)	-	-
Total Other Financing Sources (Uses)	(108,333)	-	81,368
Net Change in Fund Balances	(200,646)	-	12,551
Fund Balances, Beginning	1,570,512	2,843,180	1,429,056
Fund Balances, Ending	\$ 1,369,866	\$ 2,843,180	\$ 1,441,607

The accompanying notes are an integral part of this statement.

Capital Projects Roundabout Project Fund	Total Non-major Governmental Funds	Totals
\$ -	\$ 405,122	\$ 3,957,768
-	17,879	17,879
-	224,681	694,118
-	66,639	193,267
936,269	1,018,367	2,559,161
-	-	477,320
-	53,284	56,048
<u>936,269</u>	<u>1,785,972</u>	<u>7,955,561</u>
-	3,488	240,647
-	131,829	3,913,817
-	173,542	340,329
-	-	889,401
-	537,181	856,296
-	1,190,683	1,190,683
<u>936,269</u>	<u>947,890</u>	<u>1,884,159</u>
<u>936,269</u>	<u>2,984,613</u>	<u>9,315,332</u>
-	(1,198,641)	(1,359,771)
-	173,517	267,716
-	(146,552)	(267,716)
-	26,965	-
-	(1,171,676)	(1,359,771)
-	7,240,707	13,083,455
<u>\$ -</u>	<u>\$ 6,069,031</u>	<u>\$ 11,723,684</u>

The accompanying notes are an integral part of this statement.

City of Winters
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Year Ended June 30, 2018

Net Change in Fund Balances - Total Governmental Funds	\$	(1,359,771)
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Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report capital outlay as an expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense.

Capital Expenditures		2,757,239
Donated Capital Assets		2,808,328
Depreciation Expense		(930,366)

Certain receivables are offset by unavailable revenue in the governmental funds because they are not available to pay for current period expenditures. This amount represents the amount by which prior year unavaible revenue exceeded current year unavailable revenue.		(235,811)
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The amounts below included in the Statement of Activities do not provide (require) the use of current financial resources and, therefore, are not reported as revenues or expenditures in governmental funds (net change):

Net Pension Liability		(530,597)
Net OPEB Liability		(101,517)
Compensated Absences		85,428

Amounts for deferred inflows and deferred outflows related to the City's Net Pension Liability are not reported in the funds. This is the net change in deferred inflows and outflows related to the net pension liability.

Deferred Outflows Related to Pensions		116,743
Deferred Inflows Related to Pensions		170,359

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenues (expenses) of the internal service funds is reported with governmental activities.		4,858
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Change in Net Position of Governmental Activities	\$	2,784,893
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The accompanying notes are an integral part of this statement.

City of Winters
Statement of Net Position
Proprietary Funds
June 30, 2018

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water Fund	Sewer Fund	Totals	Internal Service Fund
ASSETS				
Current Assets:				
Cash and Investments	\$ 561,111	\$ 1,105,160	\$ 1,666,271	\$ 47,624
Receivables:				
Accounts, Net	183,407	202,045	385,452	-
Interest	982	3,350	4,332	-
Restricted Cash and Investments	302,994	737,835	1,040,829	-
Total Current Assets	<u>1,048,494</u>	<u>2,048,390</u>	<u>3,096,884</u>	<u>47,624</u>
Noncurrent Assets:				
Non-depreciable Capital Assets	150,000	645,898	795,898	-
Depreciable Capital Assets, Net	<u>3,969,562</u>	<u>5,573,622</u>	<u>9,543,184</u>	<u>-</u>
Total Noncurrent Assets	<u>4,119,562</u>	<u>6,219,520</u>	<u>10,339,082</u>	<u>-</u>
Total Assets	<u>5,168,056</u>	<u>8,267,910</u>	<u>13,435,966</u>	<u>47,624</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Pension Related Items	<u>102,469</u>	<u>143,661</u>	<u>246,130</u>	<u>-</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	23,754	100,864	124,618	43,160
Interest Payable	47,648	56,626	104,274	-
Deposits	51,724	440,963	492,687	-
Compensated Absences Payable	11,976	8,674	20,650	-
Long-term Debt, Due Within One Year	<u>105,000</u>	<u>120,000</u>	<u>225,000</u>	<u>-</u>
Total Current Liabilities	<u>240,102</u>	<u>727,127</u>	<u>967,229</u>	<u>43,160</u>
Noncurrent Liabilities:				
Net OPEB Liability	84,291	118,278	202,569	-
Compensated Absences Payable	37,382	21,071	58,453	-
Net Pension Liability	298,294	418,206	716,500	-
Long-term Debt	<u>3,070,000</u>	<u>3,625,000</u>	<u>6,695,000</u>	<u>-</u>
Total Noncurrent Liabilities	<u>3,489,967</u>	<u>4,182,555</u>	<u>7,672,522</u>	<u>-</u>
Total Liabilities	<u>3,730,069</u>	<u>4,909,682</u>	<u>8,639,751</u>	<u>43,160</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension Related Items	<u>9,818</u>	<u>13,765</u>	<u>23,583</u>	<u>-</u>
NET POSITION				
Net Investment in Capital Assets	944,562	2,474,520	3,419,082	-
Restricted for Debt Service	251,270	296,872	548,142	-
Unrestricted	<u>334,806</u>	<u>716,732</u>	<u>1,051,538</u>	<u>4,464</u>
Total Net Position	<u>\$ 1,530,638</u>	<u>\$ 3,488,124</u>	<u>\$ 5,018,762</u>	<u>\$ 4,464</u>

The accompanying notes are an integral part of this statement.

City of Winters
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
Year Ended June 30, 2018

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water Fund	Sewer Fund	Totals	Internal Service Fund
OPERATING REVENUES				
Charges for Sales and Services	\$ 1,493,316	\$ 1,709,863	\$ 3,203,179	\$ 623,798
Total Operating Revenues	1,493,316	1,709,863	3,203,179	623,798
OPERATING EXPENSES				
Salaries and Benefits	366,886	489,788	856,674	-
Materials, Supplies, and Miscellaneous	63,734	244,810	308,544	36,185
Insurance	-	-	-	173,002
Administration	592,388	462,521	1,054,909	26,179
Fuels, Lubricants, and Maintenance	-	24,623	24,623	62,628
Contract Services	59,607	46,466	106,073	280,567
Utilities	175,164	204,914	380,078	40,379
Depreciation	102,374	182,619	284,993	-
Total Operating Expenses	1,360,153	1,655,741	3,015,894	618,940
Operating Income (Loss)	133,163	54,122	187,285	4,858
NONOPERATING REVENUES (EXPENSES)				
Interest Expense	(143,548)	(170,604)	(314,152)	-
Interest Income	5,397	12,058	17,455	-
Total Nonoperating Revenues (Expenses)	(138,151)	(158,546)	(296,697)	-
Income (Loss) Before Transfers and Capital Contributions	(4,988)	(104,424)	(109,412)	4,858
Capital Contributions	564,820	1,097,707	1,662,527	-
Change in Net Position	559,832	993,283	1,553,115	4,858
Net Position - Beginning of Year	1,033,123	2,597,586	3,630,709	(394)
Restatement of Net Position	(62,317)	(102,745)	(165,062)	-
Net Position - End of Year	\$ 1,530,638	\$ 3,488,124	\$ 5,018,762	\$ 4,464

The accompanying notes are an integral part of this statement.

City of Winters
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2018

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water Fund	Sewer Fund	Totals	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	\$ 1,523,076	\$ 1,735,057	\$ 3,258,133	\$ 627,440
Payments to Suppliers for Goods and Services	(1,009,547)	(974,466)	(1,984,013)	(610,062)
Payments to Employees for Services	(327,964)	(467,423)	(795,387)	-
Net Cash Provided (Used) by Operating Activities	185,565	293,168	478,733	17,378
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash Received from Other Funds	-	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	-	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	(98,460)	(142,847)	(241,307)	-
Capital Contributions	5,000	-	5,000	-
Principal Paid on Capital Debt	(100,000)	(120,000)	(220,000)	-
Interest Paid on Capital Debt	(144,756)	(172,054)	(316,810)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(338,216)	(434,901)	(773,117)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Income Received	4,886	10,478	15,364	-
Net Cash Provided (Used) by Investing Activities	4,886	10,478	15,364	-
Net Increase (Decrease) in Cash and Cash Equivalents	(147,765)	(131,255)	(279,020)	17,378
Cash and Cash Equivalents - Beginning of the Year	1,011,870	1,974,250	2,986,120	30,246
Cash and Cash Equivalents - End of the Year	\$ 864,105	\$ 1,842,995	\$ 2,707,100	\$ 47,624
RECONCILIATION OF CASH AND CASH EQUIVALENTS				
Cash and Investments	\$ 561,111	\$ 1,105,160	\$ 1,666,271	\$ 47,624
Restricted Cash and Investments	302,994	737,835	1,040,829	-
Total Cash and Cash Equivalents	\$ 864,105	\$ 1,842,995	\$ 2,707,100	\$ 47,624
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating Income (Loss)	\$ 133,163	\$ 54,122	\$ 187,285	\$ 4,858
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation	102,374	182,619	284,993	-
(Increase) Decrease in Accounts Receivable	22,687	(2,644)	20,043	3,642
(Increase) Decrease in Deferred Outflows - Pensions	(17,254)	(14,108)	(31,362)	-
Increase (Decrease) in Accounts Payable	(118,654)	8,868	(109,786)	8,878
Increase (Decrease) in Deposits Payable	7,073	27,838	34,911	-
Increase (Decrease) in Net OPEB Liability	7,466	10,477	17,943	-
Increase (Decrease) in Net Pension Liability	66,904	66,421	133,325	-
Increase (Decrease) in Deferred Inflows - Pensions	(8,264)	(41,412)	(49,676)	-
Increase (Decrease) in Compensated Absences Payable	(9,930)	987	(8,943)	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 185,565	\$ 293,168	\$ 478,733	\$ 17,378
SCHEDULE OF NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Contributions of Capital Assets	\$ 559,820	\$ 1,097,707	\$ 1,657,527	\$ -

The accompanying notes are an integral part of this statement.

City of Winters
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2018

	Agency Funds	Successor Agency Private-purpose Trust Fund
ASSETS		
Cash and Investments	\$ 387,426	\$ 593,992
Interest Receivable	428	-
Notes Receivable	-	66,600
Accounts Receivable	-	-
Restricted Cash and Investments	-	168,039
Property Held for Resale	-	608,993
	<hr/>	<hr/>
Total Assets	<u>\$ 387,854</u>	<u>1,437,624</u>
LIABILITIES		
Accounts Payable	\$ 2,304	-
Interest Payable	-	487,783
Due to Other Agencies	385,550	-
Due to City of Winters	-	457,821
Long-Term Debt, Due within One Year	-	320,000
Long-Term Debt, Due in more Than One Year	-	13,870,340
	<hr/>	<hr/>
Total Liabilities	<u>\$ 387,854</u>	<u>15,135,944</u>
NET POSITION		
Net Position (Deficit) Held in Trust for Successor Agency		<u><u>\$ (13,698,320)</u></u>

The accompanying notes are an integral part of this statement.

City of Winters
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2018

	Successor Agency Private-purpose Trust Fund
ADDITIONS	
Investment Income	\$ 35
Taxes and Assessments	<u>1,143,155</u>
Total Additions	<u>1,143,190</u>
DEDUCTIONS	
Community Development	262,802
Interest Expense	<u>823,904</u>
Total Deductions	<u>1,086,706</u>
Change in Net Position	56,484
Net Position - Beginning of Year	<u>(13,754,804)</u>
Net Position - End of Year	<u><u>\$ (13,698,320)</u></u>

The accompanying notes are an integral part of this statement.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Description of Reporting Entity

The City of Winters was established in 1875 and incorporated in 1898 under the general laws of the State of California and enjoys all the rights and privileges pertaining to such "General Law" cities.

The City operates under a City Manager – Council form of government and provides the following services: public safety (Police and Fire), highways and streets, water, sewer, parks and recreation, public improvements, planning and zoning, and general administration. The voters of the City of Winters, California, give authority and responsibility for operations to the City Council. The five member City Council has the authority to employ administrative and support personnel to carry out its directives. The primary method used to monitor the performance of the City's management is the financial budget, which is adopted annually by the City Council.

As required by accounting principles generally accepted in the United States of America, these basic financial statements present the City of Winters (the primary government) and any component units.

Component Units

There are no component units of the City which meet the criteria of a blended or a discretely presented component unit.

B) Government-wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The underlying accounting system of the City is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources* measurement focus and the accrual basis of accounting, as are the proprietary funds' financial statements. The fiduciary funds' financial statements are reported using the accrual basis of accounting but do not have a measurement focus. The economic resources measurement focus means that revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the fiscal year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds' financial statements are reported using the *current financial resources* measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Various taxes, franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Fiduciary fund financial statements include a statement of net position and statement of changes in net position. Trust funds are accounted for on an economic resources measurement focus and full accrual basis of accounting. Agency funds are custodial in nature and do not involve measurement of results of operations, however, they do use the full accrual basis of accounting to recognize assets and liabilities.

Fund Classifications

The funds designated as major funds are determined by a mathematical calculation consistent with GASB Statement No. 34. The City reports the following major governmental funds:

General Fund – The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in other funds.

HOME-CHOC Special Revenue Fund – This fund accounts for gap financing for the 34 unit income-restricted apartment complex developed by CHOC (Community Housing Opportunity Corporation). The major revenue source of this fund is intergovernmental grant revenue.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Revolving Loans Special Revenue Fund – This fund is used to account for the loan repayments from first-time homebuyer loans and housing rehabilitation loans. The funds are restricted for first-time homebuyer or rehabilitation loans using the program income.

Roundabout Project Capital Projects Fund – This fund is used to account for the grant funds used for the construction of the roundabout project.

The City reports the following major enterprise funds:

The Water Enterprise Fund – This fund accounts for the operation and maintenance of the City's water distribution system.

The Sewer Enterprise Fund – This fund accounts for the operation and maintenance of the City's wastewater collection system including operating costs of the wastewater treatment facility.

The City also reports the following fund types:

The Internal Service Fund accounts for financial transactions related to the City's billing and collections. These services are provided to other departments of the City on a cost reimbursement basis.

The Private-Purpose Trust Fund is used to account for assets held by the City as trustee for the Redevelopment Agency Successor Agency.

The Agency Funds are used to report resources held by the City in a purely custodial capacity, which involves only the receipt, temporary investment, and remittance of fiduciary resources to individuals, and private organizations. The agency funds of the City are used for the Swim Team, Festival De La, Quilt Festival, and Elderberry activities. These funds are not included in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's proprietary funds functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Enterprise Funds are charges to customers for sales and services. Operating expenses for the Enterprise Funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D) Cash and Investments

In order to maximize investment return, the City pools its available cash for investment purposes. The cash management pool is used essentially as a demand deposit account by the participating funds. The City has defined cash and cash equivalents, for purposes of the preparation of its statement of cash flows, as deposits and investments purchased with a maturity date of 90 days or less.

Investments are stated at fair value (the value at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale).

E) Property Taxes

Assessed values for purposes of property taxes are determined on an annual basis for the period July 1 to June 30 by the Yolo County Assessor as of January 1. Taxes are levied annually on July 1 and become a lien on real property at January 1. Taxes are due November 1 and February 1 and are delinquent if not paid by December 10 and April 10, respectively, at which time applicable penalties and interest are assessed. Unsecured taxes become delinquent if not paid by August 31.

F) Restricted Assets

Certain proceeds of the City's long-term debt, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

In the absence of specific statutory provisions governing the issuance of bonds, certificates, or leases, these bond monies may be invested in accordance with the ordinance, resolutions and indentures specifying the types of investments its trustees or fiscal agents may make. These ordinances, resolutions, and indentures are generally more restrictive than the City's general investment policy. In no instance have additional types of investments been authorized that are not permitted by the City's general investment policy.

G) Capital Assets

Capital assets, which include land, structures and improvements, machinery and equipment and infrastructure assets, are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets received prior to the implementation of GASB 72 were recorded at fair value on the date of donation. Donated capital assets received subsequent to the implementation of GASB 72 are recorded at acquisition value as of the date received. Capital outlay is recorded as expenditures in the governmental funds and as assets in the government-wide financial statements to the extent the City's capitalization threshold is met.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Buildings and improvements are depreciated using the straight-line method over estimated useful lives of 50 years. Infrastructure is depreciated over 50 years using the straight-line method. Machinery and equipment is depreciated over 10 years, while vehicles are depreciated over 5 years.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

The capitalization thresholds of the City are as follows:

Type	Cost
Infrastructure	\$ 200,000 or more
Utility Systems	200,000 or more
Vehicles, Equipment and Machinery	5,000 or more
Improvements	5,000 or more
Buildings	50,000 or more

H) Compensated Absences

A liability is calculated for all the costs of compensated absences based upon benefits earned by employees in the current period for which there is a probability of payment at termination. The salary and related payroll costs are those in effect at June 30, 2018. Accumulated unpaid vacation and sick pay are accrued when earned. The amounts accrued for financial statement purposes represent 100% of the vacation pay liability and a qualifying amount of the sick pay liability at June 30, 2018. The general fund and water and sewer funds have been typically used to liquidate prior fiscal years' liabilities for compensated absences.

I) Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Initial-issue bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method (which approximates the effective interest method).

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the period issued. The face amount of debt issued is reported as other financing sources. Premiums received are reported as other financing sources, while discounts are reported as other financing uses.

J) Use of Estimates

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates and assumptions.

K) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and balance sheet for the governmental funds will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense) until then. The City currently reports deferred outflows as a result of the City's implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. See Note 10 – Pension Plan for more information.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

In addition to liabilities, the statement of net position and balance sheet for the governmental funds will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one item, which arises only under the modified accrual basis of accounting, and another, which is a result of the City's implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which qualify for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from grant receivables and other miscellaneous receivables. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

L) Fund Equity

In the government-wide, proprietary funds, and fiduciary fund financial statements, net position is classified in the following categories.

Net Investment in Capital Assets

This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.

Restricted Net Position

This category presents external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position

This category represents the net position of the City that is not externally restricted for any project or other purpose.

M) Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the statement of net position, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

N) Fund Balance Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

O) Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes.

Nonspendable - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted - This classification includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers or through enabling legislation.

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the City Manager.

Unassigned - This classification includes the residual balance for the government's general fund and includes all spendable amounts not contained in other classifications. In other funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed or assigned.

P) Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Winter's California Public Employees' Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Q) Other Postemployment Benefits (OPEB)

For purposes of measuring the OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's plan, if any, (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position, if any, have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used: July 1, 2017 Valuation Date, June 30, 2018 Measurement Date, July 1, 2017 through June 30, 2018 Measurement Period.

R) Implementation of Governmental Accounting Standards Board (GASB) Pronouncements

The Governmental Accounting Standards Board has issued the following Statements, which may affect the City's financial reporting requirements in the future:

GASB 83 - Certain Asset Retirement Obligations: This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.

GASB 84 - Fiduciary Activities: This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

GASB 87 – Leases: This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

GASB 88 – Certain Disclosures Related to Debt: The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.

GASB 89 – Accounting for Interest Cost Incurred before the End of a Construction Period: This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

GASB 90 – Majority Equity Interests: The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

In addition, the City implemented the following GASB pronouncements as of June 30, 2018 (see Notes 9 and 14):

GASB 75 - Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions: This statement was issued to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions.

2) STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Deficit Fund Balances/Net Position

At June 30, 2018, the following nonmajor funds had deficit fund balances:

Nonmajor Special Revenue Funds:	
City Wide Assessment Fund	\$ 192,175
Homeland Security Fund	1,793
STBG 96-1043 Fund	29,070
Nonmajor Capital Projects Funds:	
505 Overpass Fund	717
Flood Control Study Fund	123,664

The City anticipates that future revenues will alleviate these deficits.

3) CASH AND INVESTMENTS

The following is a summary of cash and investments at June 30, 2018:

	Government-wide Statement of Net Position		Fiduciary Funds	Total
	Governmental Activities	Business-Type Activities		
Cash and Investments	\$ 6,814,043	\$ 1,666,271	\$ 981,418	\$ 9,461,732
Restricted Cash and Investments	282,387	1,040,829	168,039	1,491,255
Total Cash and Investments	<u>\$ 7,096,430</u>	<u>\$ 2,707,100</u>	<u>\$ 1,149,457</u>	<u>\$ 10,952,987</u>

Cash and investments at June 30, 2018 consisted of the following:

Cash on Hand	\$ 1,700
Deposits with Financial Institutions	3,836,948
Investments	7,114,339
Total Cash and Investments	<u>\$ 10,952,987</u>

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

3) CASH AND INVESTMENTS - Continued

Investments Authorized by the California Government Code and the City's Investment Policy

The table below identifies the investment types that are authorized for the City of Winters by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Percentage Per Issuer
Local Agency Investment Fund (LAIF)	N/A	Unlimited	\$50 Million
U.S. Treasury Obligations	5 years	None	None
U.S. Government Agency Securities	5 years	None	None
Insured Deposits with Banks and Savings and Loans	N/A	None	15%
Repurchase Agreements	90 days	None	15%
Banker's Acceptances	6 months	30%	15%
Commercial Paper	6 months	25%	15%
Negotiable Time Certificates of Deposit	5 years	30%	15%
Medium Term Corporate Notes	5 years	30%	15%
Money Market Funds	N/A	15%	15%
Non-negotiable Time Deposits	5 years	25%	15%

Per the City's investment policy, if special circumstances arise that necessitate the purchase of securities beyond the five-year limitation, the requests must be approved by the City Council prior to purchase.

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustees. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Percentage Per Issuer
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	30%	30%
Commercial Paper	180 days	15%	None
Money Market Funds	N/A	None	None
Guaranteed Investment Contracts	5 years	None	None
Certificates of Deposit	1 year	30%	None
Medium Term Corporate Notes	5 years	15%	None

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

3) CASH AND INVESTMENTS - Continued

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of short-term and long-term investments, and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flows and liquidity needed for operations. Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations is provided by the following table:

Investment Type	Remaining Maturity (in Months)			
	Total	12 Months Or Less	13 to 24 Months	25 to 60 Months
Local Agency Investment Fund	\$ 6,398,053	\$ 6,398,053	\$ -	\$ -
Held by Bond Trustees:				
Money Market Funds	716,286	716,286	-	-
	<u>\$ 7,114,339</u>	<u>\$ 7,114,339</u>	<u>\$ -</u>	<u>\$ -</u>

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the City's investment policy, or debt agreements, and the actual rating as of fiscal year end for each investment type.

Investment Type	Amount	Minimum Legal Rating	AAA	A	Unrated
Local Agency Investment Fund	\$ 6,398,053	N/A	\$ -	\$ -	\$ 6,398,053
Held by Bond Trustees:					
Money Market Funds	716,286	N/A	-	-	716,286
Total	<u>\$ 7,114,339</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,114,339</u>

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer. There are no investments (other than the State Investment Pool and money market funds) that represent 5% or more of total City investments.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

3) CASH AND INVESTMENTS - Continued

The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2018, the City's deposits (bank balances) were insured by the Federal Depository Insurance Corporation or collateralized as required under California Law.

Fair Value

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the amortized cost basis.

4) NOTES RECEIVABLE

The City administers various residential rehabilitation, first-time homebuyer, and down payment assistance loan programs for low and moderate income families. In addition, the City has loaned monies to developers for affordable housing projects. The loans have different stated interest rates, payback periods and may be forgivable assuming all conditions are met. These loans are long-term in nature and are reported in the governmental funds balance sheet. At June 30, 2018, the outstanding balance of notes receivable totaled \$4,130,729.

5) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Amounts representing temporary interfund borrowings at June 30, 2018 are as follows:

	Due from	Due to
General Fund	\$ 570,727	\$ -
Roundabout Project Fund	-	207,816
Non-major Governmental Funds	29,070	391,981
Total	<u>\$ 599,797</u>	<u>\$ 599,797</u>

Long-term Advances

The City of Winters has loaned the former redevelopment agency (Successor Agency) amounts as needed for operations in prior years. As of June 30, 2018, the balance was \$457,821.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

5) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS – Continued

The advances between non-major governmental funds of \$125,000 represent amounts loaned by the Streets and Storm Drain capital projects fund to the Flood Control Study special revenue fund for flood solution study costs. These advances will be repaid with future impact fees.

Transfers In and Transfers Out

Transfers in and out for the year ended June 30, 2018 are as follows:

Transfers Out	Transfers In			Total
	General Fund	Revolving Loan Fund	Other Governmental Funds	
General Fund	\$ -	\$ -	\$ 121,164	\$ 121,164
Other Governmental Funds	12,831	81,368	52,353	146,552
Total	<u>\$ 12,831</u>	<u>\$ 81,368</u>	<u>\$ 173,517</u>	<u>\$ 267,716</u>

The General Fund transferred \$121,164 to the non-major governmental funds to pay for various projects. Transfers of \$81,368 in loan repayments were made from non-major governmental funds to the Revolving Loan Fund, and transfers of \$52,353 and \$12,831 were made from non-major governmental funds to other non-major governmental funds and the General Fund, respectively, to fund various project costs.

6) CAPITAL ASSETS

A summary of the Governmental Activities capital assets at June 30, 2018 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 686,080	\$ -	\$ -	\$ 686,080
Construction in Progress	622,802	2,676,295	(3,136,189)	162,908
Total Capital Assets Not Being Depreciated	<u>1,308,882</u>	<u>2,676,295</u>	<u>(3,136,189)</u>	<u>848,988</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	14,057,609	86,376	-	14,143,985
Vehicles and Equipment	2,845,808	-	-	2,845,808
Infrastructure	14,218,078	5,939,085	-	20,157,163
Total Capital Assets Being Depreciated	<u>31,121,495</u>	<u>6,025,461</u>	<u>-</u>	<u>37,146,956</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(3,630,254)	(305,984)	-	(3,936,238)
Vehicles and Equipment	(2,143,335)	(222,609)	-	(2,365,944)
Infrastructure	(2,145,680)	(401,773)	-	(2,547,453)
Total Accumulated Depreciation	<u>(7,919,269)</u>	<u>(930,366)</u>	<u>-</u>	<u>(8,849,635)</u>
Net Capital Assets Being Depreciated	<u>23,202,226</u>	<u>5,095,095</u>	<u>-</u>	<u>28,297,321</u>
Total Capital Assets, Governmental Activities	<u>\$ 24,511,108</u>	<u>\$ 7,771,390</u>	<u>\$ (3,136,189)</u>	<u>\$ 29,146,309</u>

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

6) CAPITAL ASSETS - Continued

Depreciation expense was charged to functions/programs of the governmental activities as follows:

General Government	\$ 36,403
Public Safety	343,323
Public Works	28,881
Parks and Recreation	165,634
Streets and Highways	334,860
Community Development	21,265
Total Depreciation, Governmental Activities	<u>\$ 930,366</u>

A summary of the Business-type Activities capital assets at June 30, 2018 is as follows:

Business-type Activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Not Being Depreciated:				
Land	\$ 682,979	\$ -	\$ -	\$ 682,979
Construction in Progress	308,416	129,049	(324,546)	112,919
Total Capital Assets Not Being Depreciated	<u>991,395</u>	<u>129,049</u>	<u>(324,546)</u>	<u>795,898</u>
Capital Assets Being Depreciated:				
Water Pipes	11,082,935	875,793	-	11,958,728
Sewer Plant and Pipes	9,619,000	1,193,323	-	10,812,323
Infrastructure	427,506	-	-	427,506
Machinery and Equipment	1,993,101	25,215	-	2,018,316
Total Capital Assets Being Depreciated	<u>23,122,542</u>	<u>2,094,331</u>	<u>-</u>	<u>25,216,873</u>
Less Accumulated Depreciation:				
Water Pipes	(8,067,036)	(81,352)	-	(8,148,388)
Sewer Plant and Pipes	(6,029,002)	(95,630)	-	(6,124,632)
Infrastructure	(107,463)	(8,550)	-	(116,013)
Machinery and Equipment	(1,185,195)	(99,461)	-	(1,284,656)
Total Accumulated Depreciation	<u>(15,388,696)</u>	<u>(284,993)</u>	<u>-</u>	<u>(15,673,689)</u>
Net Capital Assets Being Depreciated	<u>7,733,846</u>	<u>1,809,338</u>	<u>-</u>	<u>9,543,184</u>
Total Capital Assets, Business-type Activities	<u>\$ 8,725,241</u>	<u>\$ 1,938,387</u>	<u>\$ (324,546)</u>	<u>\$ 10,339,082</u>

Depreciation expense was charged to functions/programs of the business-type activities as follows:

Water	\$ 102,373
Sewer	182,620
Total Depreciation, Business-type Activities	<u>\$ 284,993</u>

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

7) LONG-TERM LIABILITIES

The following is a summary of long-term liability transactions for the year ended June 30, 2018:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities:					
Compensated Absences	\$ 444,193	\$ 107,365	\$ 192,793	\$ 358,765	\$ 93,555
Postemployment Benefits	75,872	-	75,872	-	-
Net OPEB Liability	-	1,146,092	-	1,146,092	-
Net Pension Liability	3,858,586	530,597	-	4,389,183	-
Total	<u>\$ 4,378,651</u>	<u>\$ 1,784,054</u>	<u>\$ 268,665</u>	<u>\$ 5,894,040</u>	<u>\$ 93,555</u>
Business-type Activities:					
Compensated Absences	\$ 88,046	\$ 23,553	\$ 32,496	\$ 79,103	\$ 20,650
Water Revenue Bonds	3,275,000	-	100,000	3,175,000	105,000
Net Pension Liability	583,175	133,325	-	716,500	-
Sewer Revenue Bonds	3,865,000	-	120,000	3,745,000	120,000
Net OPEB Liability	-	202,569	-	202,569	-
Postemployment Benefits	19,564	-	19,564	-	-
Total	<u>\$ 7,830,785</u>	<u>\$ 359,447</u>	<u>\$ 272,060</u>	<u>\$ 7,918,172</u>	<u>\$ 245,650</u>

Water Revenue Bonds – Series 2007 - The Public Finance Authority issued \$3,810,000 of Revenue Bonds bearing interest between 3.25% and 4.75%, payable semi-annually on March 1 and September 1. These bonds provided funds for capital improvements of the City's waterworks system. The Bonds are payable from the pledged revenues of the City. The Water Fund did not meet the rate covenant of 1.20 times net revenues for the fiscal year ended June 30, 2018, as required by the bond indenture. The future debt service requirements are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	\$ 105,000	\$ 141,001	\$ 246,001
2020	110,000	136,970	246,970
2021	110,000	132,679	242,679
2022	115,000	128,179	243,179
2023	120,000	123,418	243,418
2024	125,000	118,380	243,380
2025	130,000	113,040	243,040
2026	135,000	107,375	242,375
2027	145,000	101,355	246,355
2028	150,000	94,956	244,956
2029	155,000	87,994	242,994
2030	165,000	80,394	245,394
2031	170,000	72,437	242,437
2032	180,000	64,125	244,125
2033	185,000	55,456	240,456
2034	195,000	46,431	241,431
2035	205,000	36,931	241,931
2036	215,000	26,956	241,956
2037	225,000	16,506	241,506
2038	235,000	5,582	240,582
Totals	<u>\$ 3,175,000</u>	<u>\$ 1,690,165</u>	<u>\$ 4,865,165</u>

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

7) LONG-TERM LIABILITIES - Continued

Sewer Revenue Bonds – Series 2007 - On September 10, 2007, the Public Finance Authority issued \$4,495,000 of Revenue Bonds bearing interest between 3.25% and 4.75%, payable semi-annually on March 1 and September 1. These bonds provided funds to aid in the financing certain costs relating to capital improvements of the City's wastewater and sewer system. The Bonds are payable from the pledged revenues of the City. The outstanding principal balance of the 2007 Sewer bonds at June 30, 2018, is \$3,745,000. The Sewer Fund did not meet the rate covenant of 1.20 times net revenues for the fiscal year ended June 30, 2018, as required by the bond indenture. Future debt service requirements at June 30, 2018, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	\$ 120,000	\$ 167,659	\$ 287,659
2020	125,000	163,064	288,064
2021	130,000	158,089	288,089
2022	135,000	152,788	287,788
2023	140,000	147,219	287,219
2024	150,000	141,255	291,255
2025	155,000	134,868	289,868
2026	160,000	128,134	288,134
2027	170,000	120,444	290,444
2028	175,000	112,365	287,365
2029	185,000	104,144	289,144
2030	195,000	95,119	290,119
2031	200,000	85,737	285,737
2032	210,000	76,000	286,000
2033	220,000	65,788	285,788
2034	230,000	55,100	285,100
2035	245,000	43,819	288,819
2036	255,000	31,943	286,943
2037	265,000	19,593	284,593
2038	280,000	6,650	286,650
Totals	\$ 3,745,000	\$ 2,009,778	\$ 5,754,778

Fiduciary Fund Long-term Liabilities

Long-term liabilities of the former Winters Community Development Agency were transferred to the Successor Agency Private-purpose Trust Fund during 2011-12 due to the State's action to dissolve redevelopment agencies. The following is a schedule of changes in long-term debt of the Successor Agency for the fiscal year ended June 30, 2018:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Tax Allocation Bonds:					
2017 Refunding Bonds	\$ 14,250,000	\$ -	\$ 220,000	\$ 14,030,000	\$ 320,000
Premium on Bonds	167,975	-	7,635	160,340	-
Total	\$ 14,417,975	\$ -	\$ 227,635	\$ 14,190,340	\$ 320,000

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

7) LONG-TERM LIABILITIES - Continued

Tax Allocation Refunding Bonds – Series 2017 - In March 2017, the Successor Agency to the Winters Community Development Agency issued \$14,250,000 of Tax Allocation Refunding Bonds, Series 2017 to refund the 2004 and 2007 Tax Allocation Bonds of the former Winters Community Development Agency. Proceeds from the 2017 bonds were placed in escrow to refund in full the 2004 and 2007 bonds, and to pay costs of issuance. As a result, the 2004 and 2007 bonds are considered defeased and the liability has been removed from these financial statements.

The 2017 bonds mature in amounts from \$220,000 and \$1,115,000 annually from 2018 to 2039, with interest payments between 2.00% and 4.00%, payable semi-annually on March 1 and September 1. The Bonds are payable as to principal, interest and any premiums upon redemption at any time exclusively from the pledged tax revenues of the Successor Agency.

Future debt service requirements on the 2017 Tax Allocation Refunding Bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	\$ 320,000	\$ 520,025	\$ 840,025
2020	340,000	508,425	848,425
2021	365,000	492,500	857,500
2022	400,000	473,375	873,375
2023	435,000	452,500	887,500
2024	475,000	429,750	904,750
2025	510,000	412,138	922,138
2026	530,000	395,800	925,800
2027	570,000	373,800	943,800
2028	925,000	350,300	1,275,300
2029	665,000	323,725	988,725
2030	705,000	302,834	1,007,834
2031	735,000	279,813	1,014,813
2032	785,000	251,381	1,036,381
2033	825,000	222,594	1,047,594
2034	880,000	193,281	1,073,281
2035	920,000	161,288	1,081,288
2036	970,000	127,484	1,097,484
2037	1,025,000	90,844	1,115,844
2038	1,090,000	51,844	1,141,844
2039	560,000	10,500	570,500
Totals	<u>\$ 14,030,000</u>	<u>\$ 6,424,201</u>	<u>\$ 20,454,201</u>

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

8) FUND BALANCES

The details of the governmental fund balances as of June 30, 2018 are presented below:

	General Fund	HOME- CHOC Fund	Revolving Loan Fund	Total Non-major Governmental Funds	Total Governmental Funds
Nonspendable:					
Long-term Receivable from Successor Agency	\$ 457,821	\$ -	\$ -	\$ -	\$ 457,821
Restricted for:					
Flood Control	-	-	-	236,581	236,581
Streets and Roads	-	-	-	171,755	171,755
First Time Homebuyers Program	-	2,843,180	-	87,054	2,930,234
Traffic Safety	-	-	-	106,502	106,502
Asset Forfeiture	-	-	-	231	231
Afterschool Program	-	-	-	157,161	157,161
Vehicle Theft	-	-	-	69,475	69,475
Transportation	-	-	-	57,262	57,262
Fire Prevention	-	-	-	884	884
Police	-	-	-	233,158	233,158
Beverage Recycling	-	-	-	26,851	26,851
BSCC Grant	-	-	-	9,403	9,403
Revolving Loans	-	-	1,441,607	-	1,441,607
Income Restricted Housing	-	-	-	1,653,774	1,653,774
Boost Grant	-	-	-	5,918	5,918
Landfill Closure	-	-	-	150,715	150,715
Capital Projects	-	-	-	3,314,017	3,314,017
Committed:					
Capital Replacement	-	-	-	135,709	135,709
Unassigned:	912,045	-	-	(347,419)	564,626
Total Fund Balance	<u>\$ 1,369,866</u>	<u>\$2,843,180</u>	<u>\$1,441,607</u>	<u>\$ 6,069,031</u>	<u>\$11,723,684</u>

9) OTHER POSTEMPLOYMENT BENEFITS

General Information About the OPEB Plan

Plan Description - The City provides the same medical plans to retirees and surviving spouses as to its active employees, with the exception that once a retiree becomes eligible for Medicare, he or she must join a Medicare HMO or a Medicare Supplement plan, with Medicare becoming the primary payer. The plan is a single-employer defined contribution post-employment healthcare benefits plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided - Employees are eligible for retiree health benefits if they retire from the City on or after age 50 and 5 years of service (age 52 for Miscellaneous PEPPRA employees), and continue health insurance through a City-sponsored health insurance plan, the City will contribute the minimum monthly amount (as required by CalPERS) of the health insurance premium (\$128 and \$133 for the calendar years 2017 and 2018 respectively). The City's health plan does not issue a publicly available financial report.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

9) OTHER POSTEMPLOYMENT BENEFITS - Continued

Employees Covered by Benefit Terms – As of the July 1, 2017 actuarial valuation, the following current and former employees were covered by the benefit terms under the Plan:

Retirees or spouses of retirees	
currently receiving benefits	6
Active employees	36
	<u>42</u>

Contributions – The Plan and its contribution requirements are established by Memoranda of Understanding with the applicable employee bargaining units and may be amended by agreements between the City and the bargaining units. The annual contributions to the Plan are based on the costs to provide the benefits as described above on a pay as you go basis. For the fiscal year ended June 30, 2018, the City's pay-as-you-go costs were \$9,936.

Total OPEB Liability - The City's total OPEB liability was measured as of June 30, 2018 and the total OPEB liability used to calculate the OPEB liability was determined by an actuarial valuation dated July 1, 2017, based on the following actuarial methods and assumptions:

Valuation Date	July 1, 2017
Actuarial Cost Method	Entry Age Actuarial Cost
Mortality	RP-2014 Employee Healthy Annuitant Mortality Tables
Age at Retirement	50
Health Care Trend Rate	8.00% initial, 5.0% ultimate
Inflation Rate	2.25%
Salary Changes	3.00%
Discount Rate	3.60% - Bond Buyer 20-Bond GO index
Medical CPI	3.50% - used to project PERS statutory minimum benefit

Discount Rate – The discount rate used to measure the total OPEB liability was 3.60 percent and is based on the Bond Buyer 20-Bond GO index.

Changes in the Total OPEB Liability

	Total OPEB Liability (TOL)
Balance at June 30, 2017	\$ 1,229,201
Changes in the year:	
Service cost	86,221
Interest on the total OPEB liability	47,106
Employer Contributions	-
Employee Contributions	-
Benefit payments, including implicit subsidy	(13,867)
Net changes	119,460
Balance at June 30, 2018	\$ 1,348,661

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

9) OTHER POSTEMPLOYMENT BENEFITS - Continued

Sensitivity of the Total OPEB Liability to changes in the Discount Rate - The following presents the total OPEB liability of the City if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (2.60%)	Discount Rate (3.60%)	1% Increase (4.60%)
Total OPEB liability	\$ 1,555,264	\$ 1,348,661	\$ 1,180,725

Sensitivity of the Net OPEB Liability to changes in the Healthcare Cost Trend Rates - The following presents the net OPEB liability of the City, as well as what the City's Net OPEB would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	1% Decrease (7.0% decreasing to 4.0%)	Current Rates (8.0% decreasing to 5.0%)	1% Increase (9.0% decreasing to 6.0%)
Total OPEB liability	\$ 1,274,064	\$ 1,348,661	\$ 1,436,392

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB - For the year ended June 30, 2018, the City recognized OPEB expense of \$133,327. There were no deferred outflows or inflows related to the total OPEB liability as of June 30, 2018.

10) PENSION PLAN

General Information about the Defined Benefit Pension Plan

Plan Description – All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool. Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City sponsors six rate plans (two miscellaneous and four safety). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided – The Plan is a cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). A full description of the pension plan benefit provisions, assumptions for funding purposes but not accounting purposes, and membership information is listed in the June 30, 2016 Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the June 30, 2016 actuarial valuation report. This report is a publicly available valuation report that can be obtained at CalPERS' website under Forms and Publications.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

10) PENSION PLAN - Continued

	Miscellaneous	Miscellaneous PEPRA	Safety Police
	Prior to January 1, 2013	On or After January 1, 2013	Prior to January 1, 2013
Hire date			
Benefit formula	2% @ 55	2% @ 62	3% @ 55
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	55	62	55
Monthly benefits, as a % of eligible compensation	Highest single year	3-year average	3-year average
Required employee contribution rates	7%	6.25%	9%
Required employer contribution rates	8.921% + \$136,332	6.533% + \$27	16.842% + \$156,701
	Safety Police Tier II	Safety Police PEPRA	Safety Fire
	On or after February 7, 2011	On or after January 1, 2013	Prior to January 1, 2013
Hire date			
Benefit formula	2% @ 50	2.7% @ 57	2% @ 50
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	57	50
Monthly benefits, as a % of eligible compensation	3-year average	3-year average	3-year average
Required employee contribution rates	9%	11.500%	9%
Required employer contribution rates	14.971% + \$11	11.9902% + \$110	14.971% + \$2,990

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability. The dollar amounts are billed on a monthly basis. The City's required contribution for the unfunded liability was \$296,171 in fiscal year 2018.

The City's contributions to the plan for the year ended June 30, 2018 were \$633,001.

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows Related to Pensions

As of June 30, 2018, the City reported a liability of \$5,105,683 for its proportionate share of the net pension liability. The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plans is measured as of June 30, 2017, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017 using standard update procedures. The City's proportion of the net

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

10) PENSION PLAN - Continued

pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The City's proportionate share of the net pension liability as of June 30, 2016 and 2017 was as follows:

Proportion - June 30, 2016	0.05133%
Proportion - June 30, 2017	0.05148%
Change - Increase (Decrease)	0.00015%

For the year ended June 30, 2018, the City recognized pension expense of \$824,981. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 633,001	\$ -
Differences between actual and expected experience	-	27,460
Changes in assumptions	792,966	-
Change in employer's proportion	38,020	-
Differences between the employer's contributions and employer's proportionate share of contributions	102,075	-
Net differences between projected and actual earnings on plan investments	190,867	-
Total	<u>\$ 1,756,929</u>	<u>\$ 27,460</u>

\$633,001 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30,	
2019	\$ 252,133
2020	589,638
2021	367,253
2022	(112,556)
2023	-
Thereafter	-

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

10) PENSION PLAN - Continued

Actuarial Assumptions – The total pension liabilities in the June 30, 2016 actuarial valuations were determined using the following actuarial assumptions:

	<u>All Plans</u>
Valuation date	June 30, 2016
Measurement date	June 30, 2017
Actuarial cost method	entry-age normal
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2.75%
Payroll growth	3.00%
Projected salary increase	(1)
Investment rate of return	7.15%
Mortality	(2)

(1) Depending on age, service and type of employment

(2) Derived using CalPERS' Membership Data for all Funds.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2015 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

Discount Rate – The discount rate used to measure the total pension liability was 7.15% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

10) PENSION PLAN - Continued

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11+ (2)
Global Equity	47%	4.90%	5.38%
Global Fixed Income	19%	0.80%	2.27%
Inflation Sensitive	6%	0.60%	1.39%
Private Equity	12%	6.60%	6.63%
Real Estate	11%	2.80%	5.21%
Infrastructure and Forestland	3%	3.90%	5.36%
Liquidity	2%	-0.40%	-0.90%

(1) An expected inflation of 2.5% used for this period.

(2) An expected inflation of 3.0% used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate –

The following presents the City's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

1% Decrease	6.15%
Net Pension Liability	\$ 7,938,959
Current Discount Rate	7.15%
Net Pension Liability	\$ 5,105,683
1% Increase	8.15%
Net Pension Liability	\$ 2,773,659

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

Payable to the Pension Plan - At June 30, 2018, the City reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2018.

11) JOINT VENTURES (JOINT POWERS AGREEMENTS)

Winters Fire Protection District

The City participates in a joint venture with the Winters Fire Protection District (District), under a joint powers agreement. The relationship between the City of Winters and the District is such that the District is not a component unit of the City for financial reporting purposes.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

11) JOINT VENTURES (JOINT POWERS AGREEMENTS) - Continued

Fire Protection is provided by an intergovernmental agreement between the City of Winters and the Winters Fire Protection District (District). The agreement transferred all fire protection property of the District to the City. The District Board consists of five members, all appointed by County Board of Supervisors. The District approves its own budget. Separate financial statement are not prepared for the District.

Yolo Emergency Communications Agency

The City is a member of the Yolo Emergency Communications Agency (Agency), under a joint powers agreement. The governing board of the Agency consists of one member appointed by the governing body of each party to the agreement. The Agency was established in 1988 to provide dispatch and records management services, and to provide a 911 public safety answering point for the members.

The members of the Agency are required to make annual operating and capital contributions to help fund the Agency's operations, based on the adopted budgets. Financial statements may be obtained from Yolo Emergency Communications Agency, 35 No. Cottonwood St., Woodland, CA 95695.

12) RISK MANAGEMENT

Yolo County Public Agency Risk Management Insurance Authority

The City is a member of the Yolo County Public Agency Risk Management Insurance Authority, a joint-powers agreement which provides coverage against the following types of loss risks:

Type	Limits	Deductible
Liability	\$25,000,000	\$2,000, except for errors and omissions, which is \$15,000, with a limit of \$500,000
Auto	Up to stated Value	\$5,000 for all vehicles
Workers' Comp	\$5,000,000	\$1,000
All Risk Fire & Property	Replacement costs	Various up to \$10,000
Boiler and Machinery	\$100,000,000	\$1,000

The Authority is governed by a Board consisting of representatives from member municipalities. The Board controls the operations of the Authority, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on the Board. The City's deposits with the Authority are in accordance with formulas established by the Authority. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating. Financial statements may be obtained from YCPARMIA, 77 W. Lincoln Ave. Woodland, CA 95695.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

13) COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, including the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by grantors cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

The City is subject to various lawsuits and claims involving public liability and other actions incidental to the ordinary course of City operations. In the aggregate, those claims seek monetary damages in significant amounts. To the extent the outcome of such litigation may be determined to result in financial loss to the City, in the opinion of City management, any potential liability for these actions is adequately provided for in the basic financial statements. The timing of potential payment of such losses cannot presently be determined.

During 1992, the City closed the landfill that was formerly operated by the City. Since 1992, the City has incurred post closure costs. During the 2017-18 fiscal year, the City incurred monitoring costs of \$4,485 and is expected to maintain the monitoring of the closed landfill in the near future. The future costs of post closure care are subject to change resulting from inflation/deflation, technology, change in scope of work, or changes in applicable laws or regulations.

14) GENERAL FUND OPERATING DEFICIT

The current year results of operations show a deficiency of revenues over expenditures of \$92,313 (operating deficit) in the current year. In addition, the prior year operating deficit was \$434,726. Although the City's General Fund had available fund balance to absorb the loss, the unassigned fund balance has decreased over the last several years to \$912,045.

Management's Plans

While the results of operations for the General Fund reflected expenditures in excess of revenues, management made significant budget adjustments to allow for as small a deficit as possible for the fiscal year. Certain Economic Development projects that were projected to be in construction, or actually opened for business for the fiscal year, did not meet the timelines as relayed to staff for implementing services for the 17-18 fiscal year. Staff has reviewed the projects with the developers and with consultants involved in the project and are projecting a balanced budget with no deficit for the 2018-2019 fiscal year. Staff is diligent in monitoring all the projected projects for status in construction and in opening dates. The revenues anticipated from these projects are recurring revenues that will support existing services as well as increased services in the future. Should staff determine that the projects will not meet the timelines relayed during the budget process, a review of expenditures will be undertaken and appropriate measures put into place to prevent a deficit for the 2018-2019 fiscal year.

15) RESTATEMENT OF NET POSITION

The City implemented Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, in fiscal year 2017-18. As a result, the beginning net position in the Statement of Activities was restated to reduce net position by \$968,703 and \$165,062, in the Governmental Activities and Business-type Activities, respectively. The restatement in the Business-type Activities is the combination of the restatements of \$62,317 and \$102,745 in the Water and Sewer Enterprise Funds, respectively.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2018

16) SUBSEQUENT EVENTS

In October 2018, the City issued \$2,980,000 and \$3,515,000 in 2018 Water Revenue Refunding Bonds and 2018 Sewer Revenue Refunding Bonds, respectively. The purpose of the 2018 refunding bonds is to refund the 2007 Water and 2007 Sewer Bonds.

REQUIRED SUPPLEMENTARY INFORMATION

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General Fund
Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Taxes and Assessments	\$ 4,077,266	\$ 3,546,266	\$ 3,552,646	\$ 6,380
Fines and Forfeitures	-	-	-	-
Licenses, Fees, and Permits	435,974	718,516	469,437	(249,079)
Use of Money and Property	67,102	67,102	111,767	44,665
Intergovernmental Revenues	163,500	163,500	604,525	441,025
Charges for Services	443,408	443,408	477,320	33,912
Other Revenues	-	-	2,764	2,764
Total Revenues	5,187,250	4,938,792	5,218,459	279,667
EXPENDITURES				
Current:				
General Government	280,629	280,629	237,159	43,470
Public Safety	3,743,292	3,496,570	3,781,988	(285,418)
Public Works	312,822	312,822	166,787	146,035
Community Development	480,038	480,038	805,723	(325,685)
Parks and Recreation	256,535	256,535	319,115	(62,580)
Capital Outlay	-	-	-	-
Total Expenditures	5,073,316	4,826,594	5,310,772	(484,178)
Excess (Deficiency) of Revenues over Expenditures	113,934	112,198	(92,313)	(204,511)
OTHER FINANCING SOURCES (USES)				
Transfers In	61,403	61,403	12,831	(48,572)
Transfers Out	(101,103)	(101,103)	(121,164)	(20,061)
Total Other Financing Sources (Uses)	(39,700)	(39,700)	(108,333)	(68,633)
Net Change in Fund Balances	74,234	72,498	(200,646)	(273,144)
Fund Balance, Beginning of Year	1,570,512	1,570,512	1,570,512	-
Fund Balance, End of Year	\$ 1,644,746	\$ 1,643,010	\$ 1,369,866	\$ (273,144)

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Revolving Loan Special Revenue Fund
Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Intergovernmental Revenues	\$ -	\$ -	\$ -	\$ -
Use of Money and Property	9,737	9,737	14,861	5,124
Total Revenues	9,737	9,737	14,861	5,124
EXPENDITURES				
Current:				
Community Development	-	-	83,678	(83,678)
Total Expenditures	-	-	83,678	(83,678)
Excess (Deficiency) of Revenues over Expenditures	9,737	9,737	(68,817)	(78,554)
OTHER FINANCING SOURCES (USES)				
Transfers In	40,136	40,136	81,368	41,232
Transfers Out	(87,557)	(87,557)	-	87,557
Total Other Financing Sources (Uses)	(47,421)	(47,421)	81,368	128,789
Net Change in Fund Balances	(37,684)	(37,684)	12,551	50,235
Fund Balance, Beginning of Year	1,429,056	1,429,056	1,429,056	-
Fund Balance, End of Year	\$ 1,391,372	\$ 1,391,372	\$ 1,441,607	\$ 50,235

City of Winters
Required Supplementary Information
For the Year Ended June 30, 2018

**Schedule of Changes in the City's
Net OPEB Liability and Related Ratios
Last 10 Fiscal Years***

	Measurement Period 2018
Total OPEB Liability	
Service cost	\$ 86,221
Interest on total OPEB liability	47,106
Changes in assumptions	-
Changes in benefits	-
Benefit payments, including implicit subsidy	(13,867)
Net change in total OPEB liability	119,460
Total OPEB liability - beginning	1,229,201
Total OPEB liability - ending (a)	<u>\$ 1,348,661</u>
Plan Fiduciary Net Position	
Contributions - employer	\$ -
Actuarial Investment Income	-
Benefit payments	-
Administrative Expense	-
Net change in plan fiduciary net position	-
Plan fiduciary net position - beginning	-
Plan fiduciary net position - ending (b)	<u>\$ -</u>
Net OPEB liability - ending (a) - (b)	<u>\$ 1,348,661</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%
Covered - employee payroll	\$ 3,228,179
Net OPEB liability as a percentage of covered-employee payroll	41.78%

Notes to the Schedule of Changes in the City's Net OPEB Liability

No assets are accumulated in a trust that meets the criteria in GASBS No. 75, paragraph 4, to pay related benefits.

Benefit Changes: None

Changes in Assumptions: None

*Fiscal year 2018 was the first year of implementation, therefore, not all 10 years of information is available.

City of Winters
Required Supplementary Information
For the Year Ended June 30, 2018

Schedule of the City's Proportionate Share of the Net Pension Liability
Last 10 Years*

<u>Measurement Date</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of Net Pension Liability</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net Pension Liability as a % of Payroll</u>	<u>Plan Fiduciary Net Position as a % of the Total Pension Liability</u>
2017	0.05148%	\$ 5,105,683	\$ 3,073,091	166.14%	75.01%
2016	0.05133%	4,441,761	3,126,263	142.08%	75.14%
2015	0.05876%	3,488,250	2,456,467	142.00%	79.46%
2014	0.05626%	3,500,685	2,150,896	162.75%	77.86%

Notes to the Schedule of the City's Proportionate Share of the Net Pension Liability

Benefit Changes: None

Changes in Assumptions: In 2017, the accounting discount rate changed from 7.65% to 7.15%.

*Fiscal year 2015 was the first year of implementation, therefore, not all 10 years of information is available.

City of Winters
Required Supplementary Information
For the Year Ended June 30, 2018

Schedule of Plan Contributions
Last 10 Years*

<u>Fiscal Year</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to the Actuarially Determined Contributions</u>	<u>Contribution Deficiency/ (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a % of Covered Payroll</u>
2018	\$ 633,001	\$ (633,001)	\$ -	\$ 3,180,040	19.91%
2017	644,270	(644,270)	-	3,073,091	20.96%
2016	490,580	(490,580)	-	3,126,263	15.69%
2015	624,528	(624,528)	-	2,456,467	25.42%

Notes to the Schedule of Plan Contributions

Valuation Date: 6/30/2016, 6/30/2015, 6/30/2014, 6/30/2013

*Fiscal year 2015 was the first year of implementation, therefore, not all 10 years of information is available.

City of Winters
Notes to Required Supplementary Information
Year Ended June 30, 2018

BUDGETS AND BUDGETARY ACCOUNTING

The City prepares a budget for each fiscal year on or before June 30. Budgeted expenditures are enacted into law through the passage of an Appropriation Resolution. This resolution mandates the maximum authorized expenditures for the fiscal year and cannot be exceeded except by subsequent amendments to the budget by the City Council.

From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein as proposed expenditures become appropriations to the various City departments. The legal level of control is by the City Manager. The City Council may amend the budget by resolution during the fiscal year.

Formal budgetary integration is employed as a management control device during the fiscal year for the General fund and special revenue funds. These budgets are adopted on a basis consistent with accounting principles generally accepted in the United States (USGAAP) and are consistent with the basis used for financial reporting. Accordingly, actual revenues and expenditures can be compared with related budget amounts without any reconciliation.

Expenditures in Excess of Appropriations

Expenditures in the General Fund exceeded appropriations in the current year by \$484,178.

There were no budgets prepared for the HOME-CHOC Special Revenue Fund, First Time Homebuyers Special Revenue Fund, Asset Forfeiture Special Revenue Fund, RMRA Special Revenue Fund, Prop. 84 Grant Special Revenue Fund, Dry Slough Grant Special Revenue Fund, Homeland Security Special Revenue Fund, Monitoring Fee Special Revenue Fund, STBG 96-1043 Special Revenue Fund, HOME 98-347 Special Revenue Fund, BSCC Grant Special Revenue Fund, In-Lieu Housing Special Revenue Fund, Boost Grant Special Revenue Fund, Roundabout Project Capital Projects Fund, 505 Overpass Capital Projects Fund, CDBG Domus Capital Projects Fund, Flood Control Study Capital Projects Fund, Parks and Recreation Capital Project Fund, Flood Control Fees Capital Project Fund, and Street Capital Project Fund.

SUPPLEMENTARY INFORMATION

City of Winters
Non-major Governmental Funds
June 30, 2018

SPECIAL REVENUE FUNDS

Special revenue funds account for specific revenues that are legally restricted to expenditures for particular purposes. The other special revenue funds include:

City Wide Assessment Fund – This fund is used to account for assessments on property that are specifically restricted to the maintenance of City parks and street lighting.

Flood Assessment District Fund – This fund is used to account for donations used to assess the effects of flooding on the City.

Gas Tax Fund – This fund is used to account for the City's share of motor fuel tax revenues that are legally restricted to the maintenance of streets and roads within the City's boundaries.

First Time Homebuyers Fund – This fund is used to account for contributions for first time homebuyer programs donated by developers as a condition of development agreements.

Traffic Safety Fund – This fund is used to account for parking violation revenues and the expenditures that are legally restricted to the enforcement of parking codes.

Asset Forfeiture Fund – This fund is used to account for revenues related to the sale of seized assets from illegal activities. These expenditures are legally restricted for the payment of the City's share of the YONET organization's administrative cost.

Afterschool Program Fund – This fund is used to account for the revenues received from the State of California to provide after school programs in 2 schools within the Winters Joint Unified School District. Expenditures are restricted for providing instruction and enrichment activities afterschool for the youth of the School District.

Vehicle Theft Deterrent Fund – This fund is used to account for revenues and expenditures to deter automobile theft throughout Yolo County.

Fire Prevention Grant Fund – This fund is used to account for funding received to educate and prevent fires. These funds are required to be accounted for separately.

RMRA Fund – This fund is used to account for the Road Maintenance and Rehabilitation Account payments received from the State of California that is restricted for road maintenance.

Prop 84 Grant Fund – This fund accounts for grant funds for the development of a park adjacent to Orchard Village Apartment Complex.

State COPS 1913 Fund – This fund is used to account for grant funds received by the State of California to support front line police services. These funds are legally restricted to be used to supplement current public safety funding.

Realignment Fund – This fund is used to account for AB109 funding.

Housing Successor Fund – This fund accounts for the low- and moderate-income housing assets that were retained by the City when the Redevelopment Agency dissolved in fiscal year 2011/12. The major revenue source of this fund is use of money and property.

City of Winters
Non-major Governmental Funds - Continued
June 30, 2018

SPECIAL REVENUE FUNDS - Continued

Dry Slough Fund – This fund is used to account for grant funds restricted for the replacement of the bridge over Dry Slough Creek.

Beverage Recycling Grant Fund – This fund is used to account for funds received from the State of California under the Beverage Container Recycling Act. Revenues may be expended for the purchase of recycling materials.

Homeland Security Grant Fund – This fund is used to account for grant funds received from Homeland Security.

Monitoring Fee Fund – This fund is used to account for permits and fees collected for the General Plan.

STBG 96-1043 Fund – This fund is used to account for funds expended for public works projects and housing rehabilitation loans made available through Block Grant Funds from the State of California. These funds are required to be accounted for separately.

HOME 98-347 Fund – This fund is used to account for the housing rehabilitation loans that the City of Winters made available to the citizens of the City of Winters utilizing Block Grant Funds from the State of California. These funds are required to be accounted for separately.

BSCC Grant Fund – This fund is used to account for Police Department outreach to at risk groups and crisis intervention training for officers.

EDBG 99-688 Fund – This fund is used to account for small business assistance loans made available through Economic Development Block Grant funds for the rehabilitation of the Buckhorn Café. These funds are required to be accounted for separately.

EDBG 96-405 Fund – This fund is used to account for small business assistance loans made available through Economic Development Block Grant funds for the rehabilitation of the empty Cradwick Building for use as business suites. These funds are required to be accounted for separately.

In-Lieu Housing Fund – This fund is used to account for the funds collected from developers to provide affordable housing, this could be in the form of for purchase homes or multifamily rentals.

Boost Grant Fund – This fund is used to account for a restricted grant from First 5 California to boost early childhood education.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

The City has four (4) different types of Capital Projects Funds, which are described below.

City of Winters
Non-major Governmental Funds – Continued
June 30, 2018

CAPITAL PROJECTS FUNDS - Continued

Special Capital Funds – These funds are used to account for revenues and expenditures for specifically identified programs that are funded from specific revenue streams:

- Transportation Development Act Fund
- 505 Overpass Fund
- CDBG Domus Project Fund
- Flood Control Study Fund

Other Capital Funds – These funds are used for expenditures for replacement and renovation of existing infrastructure, and renovation and building of new city facilities. The revenues for these funds are generated from operations over expenditures for those operations:

- Capital Asset Replacement Fund
- Landfill Capital Fund
- Parks and Recreation Capital Fund
- Flood Control Fees Fund
- Street Capital Fund

Miscellaneous Capital Funds – These funds are collected for use in the development of oversized facilities by developers, which require eventual reimbursement to the installing developer. As a part of project approvals, some developers may be required to install facilities which will eventually serve other projects, thus creating a reimbursable expense. The City enters into “reimbursement agreements” which are then collected in the form of impact fees to developers whose projects are benefited by the improvement, then disbursed to the installing developer as reimbursements based on the agreements:

- RAJA Storm Drain Fund

Impact Fee Funds – These funds are used to collect and expend funds pursuant to the City of Winters Capital Facilities Development Study per the AB1600 legislation, as codified by California Government Section 66000 et seq. These funds are collected for development and are expended for expansion of services required due to the development:

- Street Impact Fee Fund
- Storm Drain Impact Fee Fund
- Parks and Recreation Impact Fee Fund
- Police Impact Fee Fund
- Fire Impact Fee Fund
- General Facilities Impact Fee Fund
- Water Impact Fee Fund
- Sewer Impact Fee Fund

City of Winters
Combining Balance Sheet
Non-major Governmental Funds
June 30, 2018

	Special Revenue			
	City Wide Assessment Fund	Flood Assessment Fund	Gas Tax Fund	First Time Homebuyers Fund
ASSETS				
Cash and Investments	\$ -	\$ 3,928	\$ 132,646	\$ 86,642
Receivables:				
Accounts	10,108	-	-	-
Interest	-	19	247	412
Notes Receivable	-	-	-	-
Due from Other Funds	-	-	-	-
Advances to Other Funds	-	-	-	-
Restricted Cash and Investments	-	-	-	-
Total Assets	<u>\$ 10,108</u>	<u>\$ 3,947</u>	<u>\$ 132,893</u>	<u>\$ 87,054</u>
LIABILITIES				
Accounts Payable	\$ 15,802	\$ -	\$ 3,649	\$ -
Deposits	-	-	-	-
Due to Other Funds	186,481	-	-	-
Advances from Other Funds	-	-	-	-
Total Liabilities	<u>202,283</u>	<u>-</u>	<u>3,649</u>	<u>-</u>
FUND BALANCE (DEFICITS)				
Restricted	-	3,947	129,244	87,054
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	<u>(192,175)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>(192,175)</u>	<u>3,947</u>	<u>129,244</u>	<u>87,054</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 10,108</u>	<u>\$ 3,947</u>	<u>\$ 132,893</u>	<u>\$ 87,054</u>

Special Revenue						
Traffic Safety Fund	Asset Forfeiture Fund	Afterschool Program Fund	Vehicle Theft Deterrent Fund	Fire Prevention Fund	RMRA Fund	Prop 84 Grant Fund
\$ 100,491	\$ -	\$ 158,916	\$ 69,232	\$ 962	\$ 27,134	\$ -
5,582	253	-	-	-	15,377	173,038
440	-	513	243	5	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 106,513</u>	<u>\$ 253</u>	<u>\$ 159,429</u>	<u>\$ 69,475</u>	<u>\$ 967</u>	<u>\$ 42,511</u>	<u>\$ 173,038</u>
\$ 11	\$ -	\$ 857	\$ -	\$ 83	\$ -	\$ -
-	-	1,411	-	-	-	-
-	22	-	-	-	-	173,038
-	-	-	-	-	-	-
<u>11</u>	<u>22</u>	<u>2,268</u>	<u>-</u>	<u>83</u>	<u>-</u>	<u>173,038</u>
106,502	231	157,161	69,475	884	42,511	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>106,502</u>	<u>231</u>	<u>157,161</u>	<u>69,475</u>	<u>884</u>	<u>42,511</u>	<u>-</u>
<u>\$ 106,513</u>	<u>\$ 253</u>	<u>\$ 159,429</u>	<u>\$ 69,475</u>	<u>\$ 967</u>	<u>\$ 42,511</u>	<u>\$ 173,038</u>

Continued

City of Winters
Combining Balance Sheet
Non-major Governmental Funds - Continued
June 30, 2018

	Special Revenue			
	State COPS 1913 Fund	Realignment Fund	Housing Successor Fund	Dry Slough Fund
ASSETS				
Cash and Investments	\$ 132,725	\$ 99,850	\$ 734,639	\$ -
Receivables:				
Accounts	-	-	-	-
Interest	-	352	3,884	-
Notes Receivable	-	-	284,665	-
Due from Other Funds	-	-	-	-
Advances to Other Funds	-	-	-	-
Restricted Cash and Investments	-	-	-	-
Total Assets	<u>\$ 132,725</u>	<u>\$ 100,202</u>	<u>\$ 1,023,188</u>	<u>\$ -</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Deposits	-	-	-	-
Due to Other Funds	-	-	-	-
Advances from Other Funds	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICITS)				
Restricted	132,725	100,202	1,023,188	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>132,725</u>	<u>100,202</u>	<u>1,023,188</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 132,725</u>	<u>\$ 100,202</u>	<u>\$ 1,023,188</u>	<u>\$ -</u>

Special Revenue						
Beverage Recycling Fund	Homeland Security Grant Fund	Monitoring Fee Fund	STBG 96-1043 Fund	HOME 98-347 Fund	BSCC Grant Fund	EDBG 99-688 Fund
\$ 27,047	\$ -	\$ -	\$ -	\$ -	\$ 9,403	\$ -
-	-	-	-	-	-	-
107	-	-	-	-	-	-
-	-	-	-	82,061	-	80,204
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 27,154</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 82,061</u>	<u>\$ 9,403</u>	<u>\$ 80,204</u>
\$ 303	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	1,793	-	29,070	-	-	-
-	-	-	-	-	-	-
<u>303</u>	<u>1,793</u>	<u>-</u>	<u>29,070</u>	<u>-</u>	<u>-</u>	<u>-</u>
26,851	-	-	-	82,061	9,403	80,204
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	(1,793)	-	(29,070)	-	-	-
<u>26,851</u>	<u>(1,793)</u>	<u>-</u>	<u>(29,070)</u>	<u>82,061</u>	<u>9,403</u>	<u>80,204</u>
<u>\$ 27,154</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 82,061</u>	<u>\$ 9,403</u>	<u>\$ 80,204</u>

Continued

City of Winters
Combining Balance Sheet
Non-major Governmental Funds - Continued
June 30, 2018

	Special Revenue			Capital Projects
	EDBG 96-405 Fund	In-Lieu Housing Fund	Boost Grant Fund	Transportation Development Act Fund
ASSETS				
Cash and Investments	\$ -	\$ 256,842	\$ 11,556	\$ 22,119
Receivables:				
Accounts	-	-	-	35,343
Interest	-	593	-	-
Notes Receivable	211,412	-	-	-
Due from Other Funds	-	-	-	-
Advances to Other Funds	-	-	-	-
Restricted Cash and Investments	-	-	-	-
Total Assets	<u>\$ 211,412</u>	<u>\$ 257,435</u>	<u>\$ 11,556</u>	<u>\$ 57,462</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ 5,638	\$ 200
Deposits	-	-	-	-
Due to Other Funds	526	-	-	-
Advances from Other Funds	-	-	-	-
Total Liabilities	<u>526</u>	<u>-</u>	<u>5,638</u>	<u>200</u>
FUND BALANCE (DEFICITS)				
Restricted	210,886	257,435	5,918	57,262
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>210,886</u>	<u>257,435</u>	<u>5,918</u>	<u>57,262</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 211,412</u>	<u>\$ 257,435</u>	<u>\$ 11,556</u>	<u>\$ 57,462</u>

Capital Projects						
505 Overpass Fund	CDBG Domus Proj. Fund	Flood Control Study Fund	Capital Asset Replacement Fund	Landfill Capital Fund	Parks and Recreation Capital Fund	Flood Control Fees Fund
\$ -	\$ -	\$ 1,330	\$ 135,363	\$ 157,994	\$ 596,406	\$ 232,773
-	-	-	-	-	-	-
-	-	6	346	751	-	1,104
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,336</u>	<u>\$ 135,709</u>	<u>\$ 158,745</u>	<u>\$ 596,406</u>	<u>\$ 233,877</u>
\$ -	\$ -	\$ -	\$ -	\$ 8,030	\$ -	\$ 1,243
-	-	-	-	-	-	-
717	-	-	-	-	-	-
-	-	125,000	-	-	-	-
<u>717</u>	<u>-</u>	<u>125,000</u>	<u>-</u>	<u>8,030</u>	<u>-</u>	<u>1,243</u>
-	-	-	-	150,715	596,406	232,634
-	-	-	135,709	-	-	-
-	-	-	-	-	-	-
<u>(717)</u>	<u>-</u>	<u>(123,664)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(717)</u>	<u>-</u>	<u>(123,664)</u>	<u>135,709</u>	<u>150,715</u>	<u>596,406</u>	<u>232,634</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,336</u>	<u>\$ 135,709</u>	<u>\$ 158,745</u>	<u>\$ 596,406</u>	<u>\$ 233,877</u>

Continued

City of Winters
Combining Balance Sheet
Non-major Governmental Funds - Continued
June 30, 2018

	Capital Projects			Parks and Recreation
	RAJA Storm Drain Fund	Street Impact Fee Fund	Storm Drain Impact Fee Fund	Impact Fee Fund
ASSETS				
Cash and Investments	\$ 68,220	\$ 78	\$ 170,343	\$ -
Receivables:				
Accounts	-	-	-	-
Interest	188	-	776	-
Notes Receivable	-	-	-	4,797
Due from Other Funds	-	-	-	-
Advances to Other Funds	-	95,000	30,000	-
Restricted Cash and Investments	9,589	-	-	-
Total Assets	<u>\$ 77,997</u>	<u>\$ 95,078</u>	<u>\$ 201,119</u>	<u>\$ 4,797</u>
LIABILITIES				
Accounts Payable	\$ -	\$ 1,243	\$ 1,243	\$ 1,243
Deposits	9,589	-	-	-
Due to Other Funds	-	-	-	334
Advances from Other Funds	-	-	-	-
Total Liabilities	<u>9,589</u>	<u>1,243</u>	<u>1,243</u>	<u>1,577</u>
FUND BALANCE (DEFICITS)				
Restricted	68,408	93,835	199,876	3,220
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>68,408</u>	<u>93,835</u>	<u>199,876</u>	<u>3,220</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 77,997</u>	<u>\$ 95,078</u>	<u>\$ 201,119</u>	<u>\$ 4,797</u>

Capital Projects						Total Non-major Governmental Funds
Police Impact Fee Fund	Fire Impact Fee Fund	General Facilities Impact Fee Fund	Water Impact Fee Fund	Sewer Impact Fee Fund	Street Capital Fund	
\$ 286,932	\$ 460,581	\$ 588,344	\$ 542,307	\$ 387,042	\$ 82,781	\$ 5,584,626
-	-	-	-	-	-	239,701
1,335	1,656	1,763	2,133	375	-	17,248
2,246	2,741	418	-	-	-	668,544
-	-	-	-	-	-	-
-	-	-	-	-	-	125,000
-	3,580	-	-	-	-	13,169
<u>\$ 290,513</u>	<u>\$ 468,558</u>	<u>\$ 590,525</u>	<u>\$ 544,440</u>	<u>\$ 387,417</u>	<u>\$ 82,781</u>	<u>\$ 6,648,288</u>
\$ 1,243	\$ 1,243	\$ 1,243	\$ 1,242	\$ 1,242	\$ 5,518	\$ 51,276
-	-	-	-	-	-	11,000
-	-	-	-	-	-	391,981
-	-	-	-	-	-	125,000
<u>1,243</u>	<u>1,243</u>	<u>1,243</u>	<u>1,242</u>	<u>1,242</u>	<u>5,518</u>	<u>579,257</u>
289,270	467,315	589,282	543,198	386,175	77,263	6,280,741
-	-	-	-	-	-	135,709
-	-	-	-	-	-	-
-	-	-	-	-	-	(347,419)
<u>289,270</u>	<u>467,315</u>	<u>589,282</u>	<u>543,198</u>	<u>386,175</u>	<u>77,263</u>	<u>6,069,031</u>
<u>\$ 290,513</u>	<u>\$ 468,558</u>	<u>\$ 590,525</u>	<u>\$ 544,440</u>	<u>\$ 387,417</u>	<u>\$ 82,781</u>	<u>\$ 6,648,288</u>

City of Winters
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds
Year Ended June 30, 2018

	Special Revenue			
	City Wide Assessment Fund	Flood Assessment Fund	Gas Tax Fund	First Time Homebuyers Fund
REVENUES				
Taxes and Assessments	\$ 203,961	\$ -	\$ 158,650	\$ -
Fines and Forfeitures	-	-	-	-
Licenses, Fees, and Permits	-	-	-	-
Use of Money and Property	-	56	650	1,220
Intergovernmental Revenues	-	-	-	-
Other Revenues	2,306	-	-	-
Total Revenues	206,267	56	159,300	1,220
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Community Development	-	-	-	-
Parks and Recreation	353,431	-	-	-
Streets and Highways	-	-	247,756	-
Sanitation	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	353,431	-	247,756	-
Excess (Deficiency) of Revenues Over Expenditures	(147,164)	56	(88,456)	1,220
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	121,164	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	121,164	-
Net Change in Fund Balances	(147,164)	56	32,708	1,220
Fund Balances, Beginning of Year	(45,011)	3,891	96,536	85,834
Fund Balances, End of Year	\$ (192,175)	\$ 3,947	\$ 129,244	\$ 87,054

Special Revenue						
Traffic Safety Fund	Asset Forfeiture Fund	Afterschool Program Fund	Vehicle Theft Deterrent Fund	Fire Prevention Fund	RMRA Fund	Prop 84 Grant Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,511	\$ -
17,879	-	-	-	-	-	-
-	-	-	-	-	-	-
1,303	14	1,523	720	14	-	-
-	2,818	142,199	18,000	-	-	173,038
1,405	-	10,760	-	-	-	31,213
<u>20,587</u>	<u>2,832</u>	<u>154,482</u>	<u>18,720</u>	<u>14</u>	<u>42,511</u>	<u>204,251</u>
-	-	-	-	-	-	-
10,048	10,804	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	150,770	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>10,048</u>	<u>10,804</u>	<u>150,770</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>10,539</u>	<u>(7,972)</u>	<u>3,712</u>	<u>18,720</u>	<u>14</u>	<u>42,511</u>	<u>204,251</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
10,539	(7,972)	3,712	18,720	14	42,511	204,251
95,963	8,203	153,449	50,755	870	-	(204,251)
<u>\$ 106,502</u>	<u>\$ 231</u>	<u>\$ 157,161</u>	<u>\$ 69,475</u>	<u>\$ 884</u>	<u>\$ 42,511</u>	<u>\$ -</u>

Continued

City of Winters
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds - Continued
Year Ended June 30, 2018

	Special Revenue			
	State COPS 1913 Fund	Realignment Fund	Housing Successor Fund	Dry Slough Fund
REVENUES				
Taxes and Assessments	\$ -	\$ -	\$ -	\$ -
Fines and Forfeitures	-	-	-	-
Licenses, Fees, and Permits	-	-	-	-
Use of Money and Property	-	1,028	13,194	-
Intergovernmental Revenues	194,500	-	-	51,132
Other Revenues	-	-	-	-
Total Revenues	194,500	1,028	13,194	51,132
EXPENDITURES				
Current:				
General Government	-	-	665	-
Public Safety	95,649	10,322	-	-
Public Works	-	-	-	-
Community Development	-	-	-	-
Parks and Recreation	-	-	-	-
Streets and Highways	-	-	-	51,132
Sanitation	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	95,649	10,322	665	51,132
Excess (Deficiency) of Revenues Over Expenditures	98,851	(9,294)	12,529	-
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	98,851	(9,294)	12,529	-
Fund Balances, Beginning of Year	33,874	109,496	1,010,659	-
Fund Balances, End of Year	\$ 132,725	\$ 100,202	\$ 1,023,188	\$ -

Special Revenue						
Beverage Recycling Fund	Homeland Security Grant Fund	Monitoring Fee	STBG 96-1043 Fund	HOME 98-347 Fund	BSCC Grant Fund	EDBG 99-688 Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	12,826	-	-	-	-
300	-	-	-	-	-	4,367
5,000	-	-	-	-	-	-
-	-	-	-	-	-	-
5,300	-	12,826	-	-	-	4,367
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4,337	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4,337	-	-	-	-	-	-
963	-	12,826	-	-	-	4,367
-	-	-	-	-	-	-
-	-	(12,826)	-	(45,085)	-	(18,437)
-	-	(12,826)	-	(45,085)	-	(18,437)
963	-	-	-	(45,085)	-	(14,070)
25,888	(1,793)	-	(29,070)	127,146	9,403	94,274
\$ 26,851	\$ (1,793)	\$ -	\$ (29,070)	\$ 82,061	\$ 9,403	\$ 80,204

Continued

City of Winters
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds - Continued
Year Ended June 30, 2018

	Special Revenue			Capital Projects
	EDBG 96-405 Fund	In-Lieu Housing Fund	Boost Grant Fund	Transportation Development Act Fund
REVENUES				
Taxes and Assessments	\$ -	\$ -	\$ -	\$ -
Fines and Forfeitures	-	-	-	-
Licenses, Fees, and Permits	-	-	-	-
Use of Money and Property	8,736	1,807	-	213
Intergovernmental Revenues	-	-	15,379	297,156
Other Revenues	-	7,500	-	-
Total Revenues	8,736	9,307	15,379	297,369
EXPENDITURES				
Current:				
General Government	-	328	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Community Development	-	-	-	-
Parks and Recreation	-	-	24,304	-
Streets and Highways	-	-	-	-
Sanitation	-	-	-	-
Capital Outlay	-	-	-	860,446
Total Expenditures	-	328	24,304	860,446
Excess (Deficiency) of Revenues Over Expenditures	8,736	8,979	(8,925)	(563,077)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	(19,126)	-	-	-
Total Other Financing Sources (Uses)	(19,126)	-	-	-
Net Change in Fund Balances	(10,390)	8,979	(8,925)	(563,077)
Fund Balances, Beginning of Year	221,276	248,456	14,843	620,339
Fund Balances, End of Year	\$ 210,886	\$ 257,435	\$ 5,918	\$ 57,262

Capital Projects

505 Overpass Fund	CDBG Domus Proj. Fund	Flood Control Study Fund	Capital Asset Replacement Fund	Landfill Capital Fund	Parks and Recreation Capital Fund	Flood Control Fees Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	7,207	-	27,299	-
-	-	19	1,026	2,309	233	3,281
119,145	-	-	-	-	-	-
-	-	-	-	-	100	-
<u>119,145</u>	<u>-</u>	<u>19</u>	<u>8,233</u>	<u>2,309</u>	<u>27,632</u>	<u>3,281</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
99,862	-	-	-	28,027	-	-
-	-	-	-	-	-	-
-	-	-	-	-	750	3,589
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	86,376	-
<u>99,862</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,027</u>	<u>87,126</u>	<u>3,589</u>
19,283	-	19	8,233	(25,718)	(59,494)	(308)
-	1,275	-	-	-	-	-
-	-	-	-	-	(51,078)	-
-	1,275	-	-	-	(51,078)	-
19,283	1,275	19	8,233	(25,718)	(110,572)	(308)
(20,000)	(1,275)	(123,683)	127,476	176,433	706,978	232,942
<u>\$ (717)</u>	<u>\$ -</u>	<u>\$ (123,664)</u>	<u>\$ 135,709</u>	<u>\$ 150,715</u>	<u>\$ 596,406</u>	<u>\$ 232,634</u>

Continued

City of Winters
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds - Continued
Year Ended June 30, 2018

	Capital Projects			Parks and Recreation
	RAJA Storm Drain Fund	Street Impact Fee Fund	Storm Drain Impact Fee Fund	Impact Fee Fund
REVENUES				
Taxes and Assessments	\$ -	\$ -	\$ -	\$ -
Fines and Forfeitures	-	-	-	-
Licenses, Fees, and Permits	-	8,228	2,475	49,905
Use of Money and Property	557	117	2,301	-
Intergovernmental Revenues	-	-	-	-
Other Revenues	-	-	-	-
Total Revenues	557	8,345	4,776	49,905
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	18,434	4,232
Community Development	-	-	-	-
Parks and Recreation	-	-	-	-
Streets and Highways	-	858,749	-	-
Sanitation	-	-	-	-
Capital Outlay	-	-	-	1,068
Total Expenditures	-	858,749	18,434	5,300
Excess (Deficiency) of Revenues Over Expenditures	557	(850,404)	(13,658)	44,605
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	51,078
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	51,078
Net Change in Fund Balances	557	(850,404)	(13,658)	95,683
Fund Balances, Beginning of Year	67,851	944,239	213,534	(92,463)
Fund Balances, End of Year	\$ 68,408	\$ 93,835	\$ 199,876	\$ 3,220

Capital Projects						Total Non-major Governmental Funds
Police Impact Fee Fund	Fire Impact Fee Fund	General Facilities Impact Fee Fund	Water Impact Fee Fund	Sewer Impact Fee Fund	Street Capital Fund	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 405,122
-	-	-	-	-	-	17,879
5,839	34,464	23,957	3,080	49,401	-	224,681
3,958	4,911	6,583	4,971	1,189	39	66,639
-	-	-	-	-	-	1,018,367
-	-	-	-	-	-	53,284
9,797	39,375	30,540	8,051	50,590	39	1,785,972
-	-	2,495	-	-	-	3,488
2,499	2,507	-	-	-	-	131,829
3,589	3,589	3,589	6,137	6,083	-	173,542
-	-	-	-	-	-	-
-	-	-	-	-	-	537,181
-	-	-	-	-	33,046	1,190,683
-	-	-	-	-	-	-
-	-	-	-	-	-	947,890
6,088	6,096	6,084	6,137	6,083	33,046	2,984,613
3,709	33,279	24,456	1,914	44,507	(33,007)	(1,198,641)
-	-	-	-	-	-	173,517
-	-	-	-	-	-	(146,552)
-	-	-	-	-	-	26,965
3,709	33,279	24,456	1,914	44,507	(33,007)	(1,171,676)
285,561	434,036	564,826	541,284	341,668	110,270	7,240,707
<u>\$ 289,270</u>	<u>\$ 467,315</u>	<u>\$ 589,282</u>	<u>\$ 543,198</u>	<u>\$ 386,175</u>	<u>\$ 77,263</u>	<u>\$ 6,069,031</u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - City Wide Assessment Special Revenue Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes and Assessments	\$ 213,100	\$ 203,961	\$ (9,139)
Other Revenues	<u>-</u>	<u>2,306</u>	<u>2,306</u>
Total Revenues	<u>213,100</u>	<u>206,267</u>	<u>(6,833)</u>
EXPENDITURES			
Current:			
Parks and Recreation	309,288	353,431	(44,143)
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>309,288</u>	<u>353,431</u>	<u>(44,143)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(96,188)</u>	<u>(147,164)</u>	<u>(50,976)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	101,102	-	(101,102)
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>101,102</u>	<u>-</u>	<u>(101,102)</u>
Net Change in Fund Balances	4,914	(147,164)	(152,078)
Fund Balance, Beginning of Year	<u>(45,011)</u>	<u>(45,011)</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ (40,097)</u></u>	<u><u>\$ (192,175)</u></u>	<u><u>\$ (152,078)</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Flood Assessment Special Revenue Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Licenses, Fees, and Permits	\$ -	\$ -	\$ -
Use of Money and Property	10	56	46
Total Revenues	10	56	46
EXPENDITURES			
Current:			
Public Works	-	-	-
Capital Outlay	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues over Expenditures	10	56	46
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	10	56	46
Fund Balances, Beginning of Year	3,891	3,891	-
Fund Balance, End of Year	\$ 3,901	\$ 3,947	\$ 46

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Gas Tax Special Revenue Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes and Assessments	\$ 186,862	\$ 158,650	\$ (28,212)
Use of Money and Property	-	650	650
Other Revenues	-	-	-
	<u>186,862</u>	<u>159,300</u>	<u>(27,562)</u>
Total Revenues			
EXPENDITURES			
Current:			
Streets and Highways	211,396	247,756	(36,360)
Capital Outlay	-	-	-
	<u>211,396</u>	<u>247,756</u>	<u>(36,360)</u>
Total Expenditures			
Excess (Deficiency) of Revenues Over Expenditures	<u>(24,534)</u>	<u>(88,456)</u>	<u>(63,922)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	121,164	121,164
	<u>-</u>	<u>121,164</u>	<u>121,164</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balances	(24,534)	32,708	57,242
Fund Balance, Beginning of Year	96,536	96,536	-
Fund Balance, End of Year	<u>\$ 72,002</u>	<u>\$ 129,244</u>	<u>\$ 57,242</u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Traffic Safety Special Revenue Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Fines and Forfeitures	\$ 6,000	\$ 17,879	\$ 11,879
Use of Money and Property	260	1,303	1,043
Other Revenues	-	1,405	1,405
	<u>6,260</u>	<u>20,587</u>	<u>14,327</u>
Total Revenues			
EXPENDITURES			
Current:			
Public Safety	29,152	10,048	19,104
Capital Outlay	-	-	-
	<u>29,152</u>	<u>10,048</u>	<u>19,104</u>
Total Expenditures			
Excess (Deficiency) of Revenues Over Expenditures	(22,892)	10,539	33,431
Fund Balance, Beginning of Year	<u>95,963</u>	<u>95,963</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 73,071</u></u>	<u><u>\$ 106,502</u></u>	<u><u>\$ 33,431</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Afterschool Program Special Revenue Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ -	\$ 1,523	\$ 1,523
Intergovernmental Revenue	128,654	142,199	13,545
Other Revenues	1,500	10,760	9,260
	<u>130,154</u>	<u>154,482</u>	<u>24,328</u>
Total Revenues			
EXPENDITURES			
Current:			
Parks and Recreation	119,288	150,770	(31,482)
Capital Outlay	-	-	-
	<u>119,288</u>	<u>150,770</u>	<u>(31,482)</u>
Total Expenditures			
Excess (Deficiency) of Revenues over Expenditures	<u>10,866</u>	<u>3,712</u>	<u>(7,154)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balances	10,866	3,712	(7,154)
Fund Balance, Beginning of Year	<u>153,449</u>	<u>153,449</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 164,315</u></u>	<u><u>\$ 157,161</u></u>	<u><u>\$ (7,154)</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Vehicle Theft Deterrent Special Revenue Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ 28	\$ 720	\$ 692
Intergovernmental Revenue	-	18,000	18,000
	<u>28</u>	<u>18,720</u>	<u>18,692</u>
EXPENDITURES			
Current:			
Public Safety	-	-	-
Capital Outlay	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues over Expenditures	<u>28</u>	<u>18,720</u>	<u>18,692</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	28	18,720	18,692
Fund Balance, Beginning of Year	<u>50,755</u>	<u>50,755</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 50,783</u></u>	<u><u>\$ 69,475</u></u>	<u><u>\$ 18,692</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Fire Prevention Special Revenue Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ -	\$ 14	\$ 14
Intergovernmental	2	-	(2)
	<u>2</u>	<u>-</u>	<u>(2)</u>
Total Revenues	<u>2</u>	<u>14</u>	<u>12</u>
EXPENDITURES			
Current:			
Public Safety	200	-	200
Capital Outlay	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>200</u>	<u>-</u>	<u>200</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(198)</u>	<u>14</u>	<u>212</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(198)	14	212
Fund Balance, Beginning of Year	<u>870</u>	<u>870</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 672</u>	<u>\$ 884</u>	<u>\$ 212</u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - State COPS 1913 Special Revenue Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental Revenues	\$ 100,000	\$ 194,500	\$ 94,500
Use of Money and Property	-	-	-
Total Revenues	<u>100,000</u>	<u>194,500</u>	<u>94,500</u>
EXPENDITURES			
Current:			
Public Safety	99,276	95,649	3,627
Capital Outlay	-	-	-
Total Expenditures	<u>99,276</u>	<u>95,649</u>	<u>3,627</u>
Excess (Deficiency) of Revenues over Expenditures	<u>724</u>	<u>98,851</u>	<u>98,127</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	724	98,851	98,127
Fund Balance, Beginning of Year	<u>33,874</u>	<u>33,874</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 34,598</u></u>	<u><u>\$ 132,725</u></u>	<u><u>\$ 98,127</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Realignment Special Revenue Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental Revenues	\$ 8,000	\$ -	\$ (8,000)
Use of Money and Property	20	1,028	1,008
Total Revenues	8,020	1,028	(6,992)
EXPENDITURES			
Current:			
Public Safety	8,000	10,322	(2,322)
Capital Outlay	-	-	-
Total Expenditures	8,000	10,322	(2,322)
Excess (Deficiency) of Revenues over Expenditures	20	(9,294)	(9,314)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	20	(9,294)	(9,314)
Fund Balance, Beginning of Year	109,496	109,496	-
Fund Balance, End of Year	<u>\$ 109,516</u>	<u>\$ 100,202</u>	<u>\$ (9,314)</u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Housing Successor Special Revenue Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental Revenues	\$ -	\$ -	\$ -
Use of Money and Property	500	13,194	12,694
Total Revenues	500	13,194	12,694
EXPENDITURES			
Current:			
General Government	-	665	(665)
Community Development	-	-	-
Total Expenditures	-	665	(665)
Excess (Deficiency) of Revenues over Expenditures	500	12,529	12,029
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	500	12,529	12,029
Fund Balance, Beginning of Year	1,010,659	1,010,659	-
Fund Balance, End of Year	<u>\$ 1,011,159</u>	<u>\$ 1,023,188</u>	<u>\$ 12,029</u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Beverage Recycling Special Revenue Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ 36	\$ 300	\$ 264
Intergovernmental Revenue	5,000	5,000	-
Total Revenues	5,036	5,300	264
EXPENDITURES			
Current:			
Parks and Recreation	5,000	4,337	663
Capital Outlay	-	-	-
Total Expenditures	5,000	4,337	663
Excess (Deficiency) of Revenues over Expenditures	36	963	927
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	36	963	927
Fund Balance, Beginning of Year	25,888	25,888	-
Fund Balance, End of Year	<u>\$ 25,924</u>	<u>\$ 26,851</u>	<u>\$ 927</u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - EDBG 99-688 Special Revenue Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Program Income	\$ 10,400	\$ -	\$ (10,400)
Use of Money and Property	5,553	4,367	(1,186)
Total Revenues	15,953	4,367	(11,586)
EXPENDITURES			
Current:			
Public Safety	-	-	-
Capital Outlay	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues over Expenditures	15,953	4,367	(11,586)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	(15,953)	(18,437)	(2,484)
Total Other Financing Sources (Uses)	(15,953)	(18,437)	(2,484)
Net Change in Fund Balances	-	(14,070)	(14,070)
Fund Balance, Beginning of Year	94,274	94,274	-
Fund Balance, End of Year	\$ 94,274	\$ 80,204	\$ (14,070)

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - EDBG 96-405 Special Revenue Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Program Income	\$ 5,832	\$ -	\$ (5,832)
Use of Money and Property	9,415	8,736	(679)
Total Revenues	<u>15,247</u>	<u>8,736</u>	<u>(6,511)</u>
EXPENDITURES			
Current:			
Public Safety	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>15,247</u>	<u>8,736</u>	<u>(6,511)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	<u>(15,247)</u>	<u>(19,126)</u>	<u>(3,879)</u>
Total Other Financing Sources (Uses)	<u>(15,247)</u>	<u>(19,126)</u>	<u>(3,879)</u>
Net Change in Fund Balances	-	(10,390)	(10,390)
Fund Balance, Beginning of Year	<u>221,276</u>	<u>221,276</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 221,276</u></u>	<u><u>\$ 210,886</u></u>	<u><u>\$ (10,390)</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual -Transportation Development Act Capital Projects Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ 88	\$ 213	\$ 125
Intergovernmental Revenue	340,966	297,156	(43,810)
Other Revenues	-	-	-
	<u>341,054</u>	<u>297,369</u>	<u>(43,685)</u>
Total Revenues			
EXPENDITURES			
Current:			
Public Works	-	-	-
Capital Outlay	260,265	860,446	(600,181)
	<u>260,265</u>	<u>860,446</u>	<u>(600,181)</u>
Total Expenditures			
Excess (Deficiency) of Revenues over Expenditures	<u>80,789</u>	<u>(563,077)</u>	<u>(643,866)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balances	80,789	(563,077)	(643,866)
Fund Balance, Beginning of Year	<u>620,339</u>	<u>620,339</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 701,128</u></u>	<u><u>\$ 57,262</u></u>	<u><u>\$ (643,866)</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Capital Asset Replacement Capital Projects Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Licenses, Fees, and Permits	\$ 5,150	\$ 7,207	\$ 2,057
Use of Money and Property	114	1,026	912
Total Revenues	5,264	8,233	2,969
EXPENDITURES			
Current:			
Public Works	-	-	-
Capital Outlay	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues over Expenditures	5,264	8,233	2,969
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	5,264	8,233	2,969
Fund Balance, Beginning of Year	127,476	127,476	-
Fund Balance, End of Year	<u>\$ 132,740</u>	<u>\$ 135,709</u>	<u>\$ 2,969</u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Landfill Capital Projects Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Licenses, Fees, and Permits	\$ -	\$ -	\$ -
Use of Money and Property	300	2,309	2,009
Total Revenues	300	2,309	2,009
EXPENDITURES			
Current:			
Public Works	8,500	28,027	(19,527)
Capital Outlay	1,000	-	(1,000)
Total Expenditures	9,500	28,027	(18,527)
Excess (Deficiency) of Revenues over Expenditures	(9,200)	(25,718)	(16,518)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	(9,200)	(25,718)	(16,518)
Fund Balance, Beginning of Year	176,433	176,433	-
Fund Balance, End of Year	<u>\$ 167,233</u>	<u>\$ 150,715</u>	<u>\$ (16,518)</u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - RAJA Storm Drain Capital Projects Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ 65	\$ 557	\$ 492
Licenses Fees and Permits	-	-	-
	<u>65</u>	<u>557</u>	<u>492</u>
Total Revenues			
EXPENDITURES			
Current:			
Public Works	-	-	-
Capital Outlay	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>65</u>	<u>557</u>	<u>492</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	65	557	492
Fund Balance, Beginning of Year	<u>67,851</u>	<u>67,851</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 67,916</u></u>	<u><u>\$ 68,408</u></u>	<u><u>\$ 492</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Street Impact Fee Capital Projects Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ 525	\$ 117	\$ (408)
Licenses, Fees, and Permits	188,389	8,228	(180,161)
Total Revenues	188,914	8,345	(180,569)
EXPENDITURES			
Current:			
Streets and Highways	-	858,749	(858,749)
Capital Outlay	-	-	-
Total Expenditures	-	858,749	(858,749)
Excess (Deficiency) of Revenues over Expenditures	188,914	(850,404)	(1,039,318)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	188,914	(850,404)	(1,039,318)
Fund Balance, Beginning of Year	944,239	944,239	-
Fund Balance, End of Year	\$ 1,133,153	\$ 93,835	\$ (1,039,318)

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Storm Drain Impact Fee Capital Projects Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Licenses, Fees, and Permits	\$ 2,930	\$ 2,475	\$ (455)
Use of Money and Property	251	2,301	2,050
Total Revenues	3,181	4,776	1,595
EXPENDITURES			
Current:			
Public Works	-	18,434	(18,434)
Capital Outlay	-	-	-
Total Expenditures	-	18,434	(18,434)
Excess (Deficiency) of Revenues over Expenditures	3,181	(13,658)	(16,839)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	3,181	(13,658)	(16,839)
Fund Balance, Beginning of Year	213,534	213,534	-
Fund Balance, End of Year	\$ 216,715	\$ 199,876	\$ (16,839)

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Parks and Recreation Impact Fee Capital Projects Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Licenses, Fees, and Permits	\$ 106,550	\$ 49,905	\$ (56,645)
Use of Money and Property	-	-	-
Total Revenues	<u>106,550</u>	<u>49,905</u>	<u>(56,645)</u>
EXPENDITURES			
Current:			
Public Works	-	4,232	(4,232)
Capital Outlay	-	1,068	(1,068)
Total Expenditures	<u>-</u>	<u>5,300</u>	<u>(5,300)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>106,550</u>	<u>44,605</u>	<u>(61,945)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	51,078	51,078
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>51,078</u>	<u>51,078</u>
Net Change in Fund Balances	106,550	95,683	(10,867)
Fund Balance, Beginning of Year	<u>(92,463)</u>	<u>(92,463)</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 14,087</u>	<u>\$ 3,220</u>	<u>\$ (10,867)</u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Police Impact Fee Capital Projects Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Licenses, Fees, and Permits	\$ 24,371	\$ 5,839	\$ (18,532)
Use of Money and Property	400	3,958	3,558
Total Revenues	<u>24,771</u>	<u>9,797</u>	<u>(14,974)</u>
EXPENDITURES			
Current:			
Public Safety	-	2,499	(2,499)
Public Works	-	3,589	(3,589)
Total Expenditures	<u>-</u>	<u>6,088</u>	<u>(6,088)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>24,771</u>	<u>3,709</u>	<u>(21,062)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	24,771	3,709	(21,062)
Fund Balance, Beginning of Year	<u>285,561</u>	<u>285,561</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 310,332</u></u>	<u><u>\$ 289,270</u></u>	<u><u>\$ (21,062)</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Fire Impact Fee Capital Projects Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Licenses, Fees, and Permits	\$ 76,480	\$ 34,464	\$ (42,016)
Use of Money and Property	450	4,911	4,461
Total Revenues	<u>76,930</u>	<u>39,375</u>	<u>(37,555)</u>
EXPENDITURES			
Current:			
Public Safety	-	2,507	(2,507)
Public Works	-	3,589	(3,589)
Total Expenditures	<u>-</u>	<u>6,096</u>	<u>(6,096)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>76,930</u>	<u>33,279</u>	<u>(43,651)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	76,930	33,279	(43,651)
Fund Balance, Beginning of Year	<u>434,036</u>	<u>434,036</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 510,966</u></u>	<u><u>\$ 467,315</u></u>	<u><u>\$ (43,651)</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General Facilities Impact Fee Capital Projects Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Licenses, Fees, and Permits	\$ 111,343	\$ 23,957	\$ (87,386)
Use of Money and Property	600	6,583	5,983
Total Revenues	111,943	30,540	(81,403)
EXPENDITURES			
Current:			
General Government	-	2,495	(2,495)
Public Works	-	3,589	3,589
Total Expenditures	-	6,084	(6,084)
Excess (Deficiency) of Revenues over Expenditures	111,943	24,456	(87,487)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	111,943	24,456	(87,487)
Fund Balance, Beginning of Year	564,826	564,826	-
Fund Balance, End of Year	\$ 676,769	\$ 589,282	\$ (87,487)

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Water Impact Fee Capital Projects Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Licenses, Fees, and Permits	\$ 194,329	\$ 3,080	\$ (191,249)
Use of Money and Property	-	4,971	4,971
Total Revenues	194,329	8,051	(186,278)
EXPENDITURES			
Current:			
Public Works	-	6,137	(6,137)
Capital Outlay	-	-	-
Total Expenditures	-	6,137	(6,137)
Excess (Deficiency) of Revenues over Expenditures	194,329	1,914	(192,415)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	194,329	1,914	(192,415)
Fund Balance, Beginning of Year	541,284	541,284	-
Fund Balance, End of Year	\$ 735,613	\$ 543,198	\$ (192,415)

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Sewer Impact Fee Capital Projects Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Licenses, Fees, and Permits	\$ 137,451	\$ 49,401	\$ (88,050)
Use of Money and Property	360	1,189	829
Total Revenues	<u>137,811</u>	<u>50,590</u>	<u>(87,221)</u>
EXPENDITURES			
Current:			
Public Works	-	6,083	(6,083)
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>6,083</u>	<u>(6,083)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>137,811</u>	<u>44,507</u>	<u>(93,304)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	137,811	44,507	(93,304)
Fund Balance, Beginning of Year	<u>341,668</u>	<u>341,668</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 479,479</u></u>	<u><u>\$ 386,175</u></u>	<u><u>\$ (93,304)</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Street Capital Projects Fund
Year Ended June 30, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ 100	\$ 39	\$ (61)
Total Revenues	<u>100</u>	<u>39</u>	<u>(61)</u>
EXPENDITURES			
Current:			
Streets and Highways	<u>-</u>	<u>33,046</u>	<u>33,046</u>
Total Expenditures	<u>-</u>	<u>33,046</u>	<u>(33,046)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>100</u>	<u>(33,007)</u>	<u>(33,107)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	100	(33,007)	(33,107)
Fund Balance, Beginning of Year	<u>110,270</u>	<u>110,270</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 110,370</u></u>	<u><u>\$ 77,263</u></u>	<u><u>\$ (33,107)</u></u>

City of Winters
Fiduciary Funds
June 30, 2018

Agency Funds - These funds are used to account for funds received by the City as an agent for other entities.

City of Winters
Combining Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2018

	Swim Team Fund	Festival De La Fund	PCH HOA Fund	Youth Services Fund	Quilt Festival Fund
ASSETS					
Cash and Investments	\$ 73,523	\$ 26,281	\$ 15,544	\$ 1,082	\$ -
Interest Receivable	290	59	74	5	-
Accounts Receivable	-	-	-	-	-
Total Assets	<u>\$ 73,813</u>	<u>\$ 26,340</u>	<u>\$ 15,618</u>	<u>\$ 1,087</u>	<u>\$ -</u>
LIABILITIES					
Accounts Payable	\$ 2,304	\$ -	\$ -	\$ -	\$ -
Due to Other Agencies	71,509	26,340	15,618	1,087	-
Total Liabilities	<u>\$ 73,813</u>	<u>\$ 26,340</u>	<u>\$ 15,618</u>	<u>\$ 1,087</u>	<u>\$ -</u>

PD Cancer Fund	Elderberry Fund	Totals
\$ 490	\$ 270,506	\$ 387,426
-	-	428
-	-	-
<u>\$ 490</u>	<u>\$ 270,506</u>	<u>\$ 387,854</u>
\$ -	\$ -	\$ 2,304
490	270,506	385,550
<u>\$ 490</u>	<u>\$ 270,506</u>	<u>\$ 387,854</u>

City of Winters
Combining Statement of Changes in Fiduciary Assets and Liabilities
Agency Funds
Year Ended June 30, 2018

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Swim Team Fund</u>				
ASSETS				
Cash and Investments	\$ 67,175	\$ 22,402	\$ 16,054	\$ 73,523
Interest Receivable	153	290	153	290
Accounts Receivable	7	-	7	-
Total Assets	<u>\$ 67,335</u>	<u>\$ 22,692</u>	<u>\$ 16,214</u>	<u>\$ 73,813</u>
LIABILITIES				
Accounts Payable	\$ 2,630	\$ 7,881	\$ 8,207	\$ 2,304
Due to Other Agencies	64,705	14,811	8,007	71,509
Total Liabilities	<u>\$ 67,335</u>	<u>\$ 22,692</u>	<u>\$ 16,214</u>	<u>\$ 73,813</u>
<u>Festival De La Fund</u>				
ASSETS				
Cash and Investments	\$ 20,690	\$ 15,586	\$ 9,995	\$ 26,281
Interest Receivable	28	59	28	59
Total Assets	<u>\$ 20,718</u>	<u>\$ 15,645</u>	<u>\$ 10,023</u>	<u>\$ 26,340</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to Other Agencies	20,718	15,645	10,023	26,340
Total Liabilities	<u>\$ 20,718</u>	<u>\$ 15,645</u>	<u>\$ 10,023</u>	<u>\$ 26,340</u>
<u>PCH HOA Fund</u>				
ASSETS				
Cash and Investments	\$ 15,364	\$ 180	\$ -	\$ 15,544
Interest Receivable	35	74	35	74
Total Assets	<u>\$ 15,399</u>	<u>\$ 254</u>	<u>\$ 35</u>	<u>\$ 15,618</u>
LIABILITIES				
Due to Other Agencies	\$ 15,399	\$ 254	\$ 35	\$ 15,618
Total Liabilities	<u>\$ 15,399</u>	<u>\$ 254</u>	<u>\$ 35</u>	<u>\$ 15,618</u>
<u>Youth Services Fund</u>				
ASSETS				
Cash and Investments	\$ 1,142	\$ 103	\$ 163	\$ 1,082
Interest Receivable	1	5	1	5
Total Assets	<u>\$ 1,143</u>	<u>\$ 108</u>	<u>\$ 164</u>	<u>\$ 1,087</u>
LIABILITIES				
Due to Other Agencies	\$ 1,143	\$ 108	\$ 164	\$ 1,087
Total Liabilities	<u>\$ 1,143</u>	<u>\$ 108</u>	<u>\$ 164</u>	<u>\$ 1,087</u>

Continued

City of Winters
Combining Statement of Changes in Fiduciary Assets and Liabilities
Agency Funds
Year Ended June 30, 2018

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Quilt Festival</u>				
ASSETS				
Cash and Investments	\$ 546	\$	\$ 546	\$
Interest Receivable	1	-	1	-
Total Assets	<u>\$ 547</u>	<u>\$ -</u>	<u>\$ 547</u>	<u>\$ -</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to Other Agencies	547	-	547	-
Total Liabilities	<u>\$ 547</u>	<u>\$ -</u>	<u>\$ 547</u>	<u>\$ -</u>
<u>PD Cancer Fund</u>				
ASSETS				
Cash and Investments	\$ -	\$ 1,910	\$ 1,420	\$ 490
Total Assets	<u>\$ -</u>	<u>\$ 1,910</u>	<u>\$ 1,420</u>	<u>\$ 490</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to Other Agencies	-	1,910	1,420	490
Total Liabilities	<u>\$ -</u>	<u>\$ 1,910</u>	<u>\$ 1,420</u>	<u>\$ 490</u>
<u>Elderberry</u>				
ASSETS				
Cash and Investments	\$ 253,020	\$ 17,486	\$ -	\$ 270,506
Total Assets	<u>\$ 253,020</u>	<u>\$ 17,486</u>	<u>\$ -</u>	<u>\$ 270,506</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to Other Agencies	253,020	17,486	-	270,506
Total Liabilities	<u>\$ 253,020</u>	<u>\$ 17,486</u>	<u>\$ -</u>	<u>\$ 270,506</u>
<u>Total Agency Funds</u>				
ASSETS				
Cash and Investments	\$ 357,937	\$ 57,667	\$ 28,178	\$ 387,426
Interest Receivable	218	428	218	428
Accounts Receivable	7	-	7	-
Total Assets	<u>\$ 358,162</u>	<u>\$ 58,095</u>	<u>\$ 28,403</u>	<u>\$ 387,854</u>
LIABILITIES				
Accounts Payable	\$ 2,630	\$ 7,881	\$ 8,207	\$ 2,304
Due to Other Agencies	355,532	50,214	20,196	385,550
Total Liabilities	<u>\$ 358,162</u>	<u>\$ 58,095</u>	<u>\$ 28,403</u>	<u>\$ 387,854</u>

STATISTICAL SECTION

City of Winters
Description of Statistical Section Contents
June 30, 2018

This part of the City of Winters's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the government's overall financial health.

Contents:	<u>Pages</u>
<u>Financial Trends</u> these schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time	121
<u>Revenue Capacity</u> these schedules contain information to help the reader assess the City's most significant local revenue source, the property tax	131
<u>Debt Capacity</u> these schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future	137
<u>Demographic and Economic Information</u> these schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place	143
<u>Operating Information</u> these schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs	145

CITY OF WINTERS, CALIFORNIA

NET POSITION BY COMPONENT LAST TEN FISCAL YEARS (accrual basis of accounting)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
GOVERNMENTAL ACTIVITIES:					
Invested in capital assets, net of related debt	\$ 8,936,433	\$ 8,181,857	\$ 8,699,018	\$ 9,652,796	\$ 10,809,780
Restricted	13,677,650	9,367,303	5,167,265	6,777,763	9,641,029
Unrestricted	<u>(1,305,148)</u>	<u>1,628,706</u>	<u>6,632,851</u>	<u>6,241,918</u>	<u>1,976,314</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>21,308,935</u>	<u>19,177,866</u>	<u>20,499,134</u>	<u>22,672,477</u>	<u>22,427,123</u>
BUSINESS-TYPE ACTIVITIES:					
Invested in capital assets, net of related debt	1,844,816	1,736,566	1,681,730	3,595,646	2,407,222
Restricted	5,717,324	4,171,609	-		
Unrestricted	<u>(4,101,359)</u>	<u>(1,485,296)</u>	<u>2,877,523</u>	<u>2,381,096</u>	<u>3,986,369</u>
TOTAL BUSINESS-TYPE ACTIVITIES	<u>3,460,781</u>	<u>4,422,879</u>	<u>4,559,253</u>	<u>5,976,742</u>	<u>6,393,591</u>
PRIMARY GOVERNMENT:					
Net investment in Capital					
Assets	10,781,249	9,918,423	10,380,748	13,248,422	13,217,002
Restricted	19,394,974	13,538,912	5,167,265	6,777,763	9,641,029
Unrestricted	<u>(5,406,507)</u>	<u>143,410</u>	<u>9,510,374</u>	<u>8,623,014</u>	<u>5,962,683</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 24,769,716</u>	<u>\$ 23,600,745</u>	<u>\$ 25,058,387</u>	<u>\$ 28,649,199</u>	<u>\$ 28,820,714</u>

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 22,986,473	\$ 23,023,985	\$ 24,140,799	\$ 24,511,108	\$ 29,146,309
10,242,135	10,482,229	10,487,827	10,783,609	10,290,547
1,474,403	(2,174,759)	(1,509,642)	(623,568)	(2,949,517)
<u>34,703,011</u>	<u>31,331,455</u>	<u>33,118,984</u>	<u>34,671,149</u>	<u>36,487,339</u>
1,163,652	1,260,835	1,269,915	1,585,241	3,419,082
544,210	544,210	544,305	544,565	548,142
4,244,115	1,989,072	1,826,201	1,500,903	1,051,538
<u>5,951,977</u>	<u>3,794,117</u>	<u>3,640,421</u>	<u>3,630,709</u>	<u>5,018,762</u>
24,150,125	24,284,820	25,410,714	26,096,349	32,565,391
10,786,345	11,026,439	11,032,132	11,328,174	10,838,689
5,718,518	(185,687)	316,559	877,335	(1,897,979)
<u>\$ 40,654,988</u>	<u>\$ 35,125,572</u>	<u>\$ 36,759,405</u>	<u>\$ 38,301,858</u>	<u>\$ 41,506,101</u>

CITY OF WINTERS, CALIFORNIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (accrual basis of accounting)

	2009	2010	2011	2012
EXPENSES:				
GOVERNMENTAL ACTIVITIES:				
General government	\$ 2,677,075	\$ 1,044,194	\$ 365,754	\$ 320,983
Public works	615,937	627,898	313,127	1,496,172
Public safety	2,370,883	2,404,697	2,365,123	2,939,539
Cultural and recreation	394,294	316,619	662,484	712,628
Community development	1,322,095	3,102,948	1,616,007	937,790
Parks	635,505	358,626	-	
Streets and highways	297,171	144,062	362,125	406,860
Public transportation	-	-	-	
Pass through agreements	360,476	308,024	-	
Interest on long-term debt	773,758	764,964	778,274	495,130
TOTAL GOVERNMENTAL ACTIVITIES	9,447,194	9,072,032	6,462,894	7,309,102
BUSINESS-TYPE ACTIVITIES:				
Water	454,298	521,751	1,752,536	1,191,159
Sewer	621,766	623,110	1,241,718	1,607,864
TOTAL BUSINESS ACTIVITIES	1,076,064	1,144,861	2,994,254	2,799,023
TOTAL PRIMARY GOVERNMENT EXPENSES	10,523,258	10,216,893	9,457,148	10,108,125
PROGRAM REVENUES:				
GOVERNMENTAL ACTIVITIES:				
Charges for services				
General government	85,881	113,736	111,930	6,394
Public works	115,535	80,441	32,057	24,540
Public safety	33,437	17,024	8,802	318,782
Cultural and recreation	61,780	65,441	87,593	64,506
Community development	4,157	3,061	205,692	101,368
Parks	-		-	
Streets and highways	-		0	
Operating contributions and grants	1,189,158	1,048,546	1,102,329	454,489
Capital contributions and grants	301,536	998,427	1,396,248	903,837
TOTAL GOVERNMENTAL ACTIVITIES	1,791,484	2,326,676	2,944,651	1,873,916
BUSINESS-TYPE ACTIVITIES:				
Charges for services				
Water	941,612	1,017,580	1,196,068	1,132,901
Sewer	1,048,742	1,209,549	1,330,624	1,602,043
Capital contributions and grants				1,458,688
TOTAL BUSINESS-TYPE ACTIVITIES	1,990,354	2,227,129	2,526,692	4,193,632
TOTAL PRIMARY GOVERNMENT REVENUES	\$ 3,781,838	\$ 4,553,805	\$ 5,471,343	\$ 6,067,548
NET (EXPENSE) REVENUES:				
Governmental activities	\$ (7,655,710)	\$ (6,745,356)	\$ (3,518,243)	\$ (5,435,186)
Business-type activities	914,290	1,082,268	(467,562)	1,394,609
TOTAL PRIMARY GOVERNMENT NET EXPENSES	\$ (6,741,420)	\$ (5,663,088)	\$ (3,985,805)	\$ (4,040,577)

2013	2014	2015	2016	2017	2018
\$ 349,842	\$ 345,978	\$ 307,778	\$ 291,214	\$ 93,825	\$ 397,021
739,622	218,488	282,417	309,620	352,619	369,210
2,947,065	2,979,999	3,837,172	3,748,055	3,913,486	4,396,753
663,801	747,457	805,051	1,046,138	768,571	1,021,930
499,056	418,479	556,024	1,197,114	547,753	910,666
			-	-	-
366,085	602,267	571,864	462,532	720,719	652,463
-					
5,565,471	5,312,668	6,360,306	7,054,673	6,396,973	7,748,043
1,249,358	1,303,791	1,396,231	1,539,702	1,308,996	1,503,701
1,490,721	1,590,022	1,818,137	1,776,270	1,807,044	1,826,345
2,740,079	2,893,813	3,214,368	3,315,972	3,116,040	3,330,046
8,305,550	8,206,481	9,574,674	10,370,645	9,513,013	11,078,089
8,901	225	37,666	117,605	170,276	289,786
109,232	29,524	194,625	290,832	233,923	130,124
331,534	241,261	357,901	351,293	364,850	299,947
75,622	88,265	101,193	85,983	106,942	111,932
154,549	227,626	311,573	641,783	475,060	500,708
412,573	536,549	762,334	536,783	1,037,512	895,232
1,635,819	1,841,968	1,593,554	2,894,354	2,013,324	4,500,272
2,728,230	2,965,418	3,358,846	4,918,633	4,401,887	6,728,001
1,266,720	1,304,238	1,243,216	1,353,065	1,405,104	1,493,316
1,564,279	1,671,494	1,715,312	1,641,715	1,655,159	1,709,863
510,886			161,181	38,514	1,662,527
3,341,885	2,975,732	2,958,528	3,155,961	3,098,777	4,865,706
\$ 6,070,115	\$ 5,941,150	\$ 6,317,374	\$ 8,074,594	\$ 7,500,664	\$ 11,593,707
\$ (2,837,241)	\$ (2,347,250)	\$ (3,001,460)	\$ (2,136,040)	\$ (1,995,086)	\$ (1,020,042)
601,806	81,919	(255,840)	(160,011)	(17,263)	1,535,660
\$ (2,235,435)	\$ (2,265,331)	\$ (3,257,300)	\$ (2,296,051)	\$ (2,012,349)	\$ 515,618

continued

CITY OF WINTERS, CALIFORNIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (accrual basis of accounting)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION:				
GOVERNMENTAL ACTIVITIES:				
Taxes				
Property taxes	\$ 3,409,220	\$ 3,027,868	\$ 2,974,549	\$ 2,103,907
Sales and use taxes	288,748	242,257	295,215	374,975
Franchise fees	209,913	203,985	224,608	228,129
Other taxes	722,778	665,333	1,225,801	969,098
Motor vehicle in-lieu	26,418	21,071	32,026	3,511
Investment income	615,206	(13,275)	144,210	163,862
Developer contributions	-	-	-	-
Transfers	491,144	131,261	-	-
Other revenues	27,339	335,787	91,936	894,477
	<u>5,790,766</u>	<u>4,614,287</u>	<u>4,988,345</u>	<u>4,737,959</u>
TOTAL GOVERNMENTAL ACTIVITIES				
BUSINESS-TYPE ACTIVITIES:				
Property taxes	-	-	-	-
Investment income	38,991	13,275	1,810	22,880
Transfers	(491,144)	-	-	-
Developer contributions	-	(131,261)	-	-
Other revenues	41,908	(2,184)	-	-
	<u>(410,245)</u>	<u>(120,170)</u>	<u>1,810</u>	<u>22,880</u>
TOTAL BUSINESS-TYPE ACTIVITIES				
TOTAL PRIMARY GOVERNMENT REVENUES	<u><u>\$ 5,380,521</u></u>	<u><u>\$ 4,494,117</u></u>	<u><u>\$ 4,990,155</u></u>	<u><u>\$ 4,760,839</u></u>
CHANGES IN NET POSITION:				
Governmental activities	(1,864,944)	(2,131,069)	1,470,102	(697,227)
Business type activities	504,045	962,098	(465,752)	1,417,489
Gain on Transfer of Assets & Liabilities to Successor Agency				3,590,832
Prior Period Adjustments				
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL PRIMARY GOVERNMENT	<u><u>\$ (1,360,899)</u></u>	<u><u>\$ (1,168,971)</u></u>	<u><u>\$ 1,004,350</u></u>	<u><u>\$ 4,311,094</u></u>

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 1,429,395	\$ 1,232,688	\$ 1,464,684	\$ 1,375,248	\$ 1,346,013	\$ 1,495,045
408,845	460,165	462,807	530,365	598,426	648,124
230,805	239,385	231,993	254,705	210,984	321,811
1,023,096	990,428	1,006,988	959,435	1,067,894	1,051,981
3,639	3,011	2,909	2,806	-	-
128,124	41,155	56,761	56,915	56,280	99,229
	-				
190,314	208,535	(904,559)	-	-	-
187,941	230,592	166,167	744,095	267,654	188,745
<u>3,602,159</u>	<u>3,405,959</u>	<u>2,487,750</u>	<u>3,923,569</u>	<u>3,547,251</u>	<u>3,804,935</u>
5,357	2,590	2,539	6,315	7,551	17,455
(190,314)	(208,535)	(1,690,343)	-	-	-
-					
<u>(184,957)</u>	<u>(205,945)</u>	<u>(1,687,804)</u>	<u>6,315</u>	<u>7,551</u>	<u>17,455</u>
<u>\$ 3,417,202</u>	<u>\$ 3,200,014</u>	<u>\$ 799,946</u>	<u>\$ 3,929,884</u>	<u>\$ 3,554,802</u>	<u>\$ 3,822,390</u>
764,918	1,058,708	(513,710)	1,787,529	1,552,165	2,784,893
416,849	(124,026)	(1,943,644)	(153,696)	(9,712)	1,553,115
<u>(1,010,272)</u>	<u>10,899,592</u>	<u>(3,072,062)</u>	<u>-</u>	<u>-</u>	<u>(1,133,765)</u>
<u>\$ 171,495</u>	<u>\$ 11,834,274</u>	<u>\$ (5,529,416)</u>	<u>\$ 1,633,833</u>	<u>\$ 1,542,453</u>	<u>\$ 3,204,243</u>

CITY OF WINTERS, CALIFORNIA

FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN YEARS (modified accrual basis of accounting)

	Fiscal Year Ended June 30,				
	2009	2010	2011	2012	2013
GENERAL FUND:					
Reserved	\$ -	\$ 36,923	\$ -		
Designated	1,264,559	676,730	-		
Unreserved	1,810,356	1,606,367	-		
Nonspendable			781,448	457,821	457,821
Restricted					
Assigned			81,050		
Unassigned			1,566,838	2,105,370	2,064,941
TOTAL GENERAL FUND	\$ 3,074,915	\$ 2,320,020	\$ 2,429,336	\$ 2,563,191	\$ 2,522,762
ALL OTHER GOVERN-					
MENTAL FUNDS:					
Reserved ①	\$ 3,161,275	\$ 7,236,218			
Designated	11,361,627	3,521,121			
Unreserved reported in:					
Special Revenue Funds	663,535	886,240			
Capital Project Funds	4,372,336	1,686,609		5,598,406	
Restricted			8,348,197	1,025,359	5,627,300
Committed			1,024,452	55,968	1,078,260
Assigned					56,140
Unassigned			(337,855)	(521,759)	(843,813)
TOTAL ALL OTHER					
GOVERNMENTAL FUNDS	\$ 19,558,773	\$ 13,330,188	\$ 9,034,794	\$ 6,157,974	\$ 5,917,887

* GASB 54 implemented in 2011

Fiscal Year Ended June 30,				
2014	2015	2016	2017	2018
1,238,282	947,821	552,224 2,147	555,128 -	457,821 -
1,208,759	1,415,193	1,513,508	1,015,384	912,045
<u>\$ 2,447,041</u>	<u>\$ 2,363,014</u>	<u>\$ 2,067,879</u>	<u>\$ 1,570,512</u>	<u>\$ 1,369,866</u>

5,645,329	9,783,470	10,801,086	11,903,013	10,565,528
1,082,425	1,086,994	-	127,476	135,709
56,277	56,423	-	-	-
<u>(693,713)</u>	<u>(1,114,996)</u>	<u>(313,259)</u>	<u>(517,546)</u>	<u>(347,419)</u>
<u>\$ 6,090,318</u>	<u>\$ 9,811,891</u>	<u>\$ 10,487,827</u>	<u>\$ 11,512,943</u>	<u>\$ 10,353,818</u>

CITY OF WINTERS, CALIFORNIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (modified accrual basis of accounting)

	Fiscal Year Ended June 30,				
	2009	2010	2011	2012	2013
REVENUES:					
Taxes	\$ 4,969,284	\$ 4,470,119	\$ 4,752,199	\$ 4,013,897	\$ 3,371,144
Licenses and permits	219,268	211,459	1,324,932	161,336	381,226
Fines and forfeitures	30,901	11,423	10,745	21,059	16,146
Program income	30,496	32,471	44,781	28,531	27,182
Use of money and property	615,205	250,775	144,210	118,781	128,124
Intergovernmental	1,178,487	1,737,368	831,230	1,188,508	1,884,423
Charges for services	54,122	59,516	43,929	337,482	282,466
Refunds and reimbursement	-	-	-	-	-
Development fees	-	-	-	-	-
Contributions	-	-	-	-	-
Miscellaneous	27,339	85,011	2,325,751	952,093	187,942
TOTAL REVENUES	7,125,102	6,858,142	9,477,777	6,821,687	6,278,653
EXPENDITURES:					
Current:					
General government	2,542,986	1,008,391	220,632	234,854	332,059
Public works	593,672	584,850	270,011	175,433	216,709
Public safety	2,318,611	2,356,584	2,269,423	2,771,159	2,834,727
Cultural and recreation	279,358	202,341	548,057	617,395	589,091
Community development	612,582	3,215,133	1,688,046	1,062,943	426,631
Parks	635,508	358,626	-	-	-
Streets and highways	214,566	453,574	225,109	257,060	248,735
Public transportation	-	-	-	-	-
Pass through agreements	360,476	308,024	-	-	-
Capital outlay	2,920,330	4,255,546	5,783,033	3,113,832	2,494,531
Debt service:	-	-	-	-	-
Bond issue costs	-	-	-	-	-
Principal	295,000	460,000	470,000	485,000	-
Interest	775,800	769,814	750,627	467,833	-
TOTAL EXPENDITURES	11,548,889	13,972,883	12,224,938	9,185,509	7,142,483
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,423,787)	(7,114,741)	(2,747,161)	(2,363,822)	(863,830)
OTHER FINANCING SOURCES (USES):					
Transfers in	1,562,647	1,418,888	2,117,877	209,139	1,036,100
Transfers out	(1,071,503)	(1,287,627)	(2,117,877)	(209,139)	(845,786)
Gain on Sale of Land Held for Resale	-	-	-	-	-
Issuance of bonds	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES	491,144	131,261	-	-	190,314
NET CHANGE IN FUND BALANCES BEFORE EXTRAORDINARY ITEM	\$ (3,932,643)	\$ (6,983,480)	\$ (2,747,161)	\$ (2,363,822)	\$ (673,516)
EXTRAORDINARY ITEM					
Loss on transfer if assets and liabilities to RDA successor trust fund	-	-	-	(379,143)	-
Prior Period Adjustments	-	-	-	-	393,000
NET CHANGES IN FUND BALANCE	\$ (3,932,643)	\$ (6,983,480)	\$ (2,747,161)	\$ (2,742,965)	\$ (280,516)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	12.41%	13.27%	18.73%	15.60%	0.00%

Fiscal Year Ended June 30,				
2014	2015	2016	2017	2018
\$ 3,372,065	\$ 3,594,938	\$ 3,499,246	\$ 3,600,908	\$ 3,957,768
5,919	386,492	1,737,689	1,649,162	694,118
163,605	10,878	17,950	17,002	17,879
60,450				
108,016	132,376	127,918	163,820	193,267
1,946,989	1,719,812	2,529,640	1,605,429	2,559,161
414,884	504,848	429,630	429,004	477,320
190,015	262,300	400,483	248,002	56,048
6,261,943	6,611,644	8,742,556	7,713,327	7,955,561
339,250	310,228	508,364	169,647	240,647
207,625	271,554	289,722	323,737	340,329
2,819,242	3,013,415	3,616,662	3,848,987	3,913,817
599,450	657,043	889,226	1,372,338	856,296
395,440	532,985	1,162,086	526,192	889,401
309,317	148,845	1,262,582	520,378	1,190,683
1,582,280	1,511,512	929,625	424,299	1,884,159
-				
-	-	-	-	-
6,252,604	6,445,582	8,658,267	7,185,578	9,315,332
9,339	166,062	84,289	527,749	(1,359,771)
611,111	332,953	98,244	267,376	267,716
(402,576)	(1,237,512)	(98,244)	(267,376)	(267,716)
		296,512	-	-
208,535	(904,559)	296,512	-	-
\$ 217,874	\$ (738,497)	\$ 380,801	\$ 527,749	\$ (1,359,771)
-	-	-	-	-
(121,164)	4,376,044	-	-	-
\$ 96,710	\$ 3,637,547	\$ 380,801	\$ 527,749	\$ (1,359,771)
0.00%	0.00%	0.00%	0.00%	0.00%

CITY OF WINTERS, CALIFORNIA

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE LAST TEN FISCAL YEARS (accrual basis of accounting)

Year Ended June 30,	Property Taxes	Sales Tax	Franchise Tax	Other Taxes	Total
2009	3,409,220	288,748	209,913	722,778	4,630,659
2010	3,027,868	242,257	203,985	659,284	4,133,394
2011	2,974,549	295,215	224,608	1,225,801	4,720,173
2012	2,103,907	374,975	228,129	972,609	3,679,620
2013	1,429,395	408,845	230,805	1,026,735	3,095,780
2014	1,232,688	460,165	239,385	993,439	2,925,677
2015	1,464,684	462,807	231,993	1,009,897	3,169,381
2016	1,375,248	530,365	254,705	962,241	3,122,559
2017	1,346,013	598,426	210,984	1,067,894	3,223,317
2018	1,495,045	648,124	321,811	1,051,981	3,516,961

CITY OF WINTERS, CALIFORNIA

GENERAL FUND ACTIVITIES TAX REVENUES BY SOURCE LAST TEN FISCAL YEARS (accrual basis of accounting)

Year Ended June 30,	Property Taxes	Sales Tax	Franchise Tax	Other Taxes	Total
2009	1,395,538	288,748	209,913	749,196	2,643,395
2010	1,121,922	242,257	203,985	686,404	2,254,568
2011	1,187,176	295,215	224,608	989,477	2,696,475
2012	1,229,698	344,781	228,129	974,044	2,776,652
2013	1,344,228	408,845	230,805	1,023,095	3,006,973
2014	1,232,688	460,165	239,385	1,013,778	2,946,016
2015	1,464,684	462,807	231,993	1,032,112	3,191,596
2016	1,375,248	530,365	254,705	988,621	3,148,939
2017	1,346,013	598,426	210,984	1,067,894	3,223,317
2018	1,495,045	648,124	321,811	1,051,981	3,516,961

CITY OF WINTERS, CALIFORNIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

Year Ended June 30,	City			Taxable Assessed Value	Successor Agency/Community Development Agency		Taxable Assessed Value	Total Direct Tax Rate
	Secured	Unsecured	Utility		Secured	Unsecured		
2009	280,882,222	2,100,831	2,800	282,985,853	193,204,983	16,028,418	209,233,401	0.525%
2010	281,161,063	2,708,797	2,800	283,872,660	195,614,967	18,538,689	214,153,656	0.547%
2011	252,232,212	5,284,746	4,200	257,521,158	201,524,009	14,777,955	216,301,964	0.540%
2012	189,223,168	3,700,078	4,200	196,681,644	217,303,685	14,726,066	232,029,751	0.524%
2013	182,230,025	2,830,751	4,200	185,064,976	221,613,542	14,420,507	236,034,049	0.533%
2014	186,404,540	5,674,469	-	192,079,009	220,277,577	23,767,600	244,045,177	0.422%
2015	200,781,736	1,403,589	-	202,185,325	241,609,417	18,602,931	260,212,348	0.379%
2016	209,488,771	1,688,283	-	211,177,054	259,133,414	16,360,714	275,494,128	0.342%
2017	219,065,742	1,217,403	-	220,283,145	276,546,579	14,748,913	291,295,492	0.496%
2018	236,983,280	1,202,682	-	238,185,962	334,886,295	15,079,497	349,965,792	0.472%

NOTE:

In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%.) With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Source: Yolo County Auditor Controller Office

CITY OF WINTERS, CALIFORNIA

DIRECT AND OVERLAPPING PROPERTY TAX RATES (RATE PER \$100 OF ASSESSED VALUE) LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
CITY DIRECT RATE:										
City basic rate	0.143	0.143	0.137	0.149	0.154	0.151	0.149	0.146	0.11178	0.13250
Community Development Agency	0.404	0.404	0.402	0.376	0.379	0.271	0.23044	0.19598	0.11148	0.09990
TOTAL CITY DIRECT RATE	0.547	0.547	0.540	0.524	0.533	0.422	0.37915	0.34160	0.22326	0.23240
OVERLAPPING RATES:										
Yolo County	0.221	0.109	0.111	0.124	0.155	0.192	0.29380	0.32990	0.32181	0.28180
Yolo County Library	0.029	0.029	0.030	0.030	0.031	0.031	0.03070	0.02720	0.02153	0.02870
Winters Cemetery District	0.027	0.027	0.027	0.028	0.028	0.028	0.02810	0.02210	0.02608	0.02390
Sacramento-Yolo Mosquito Vector District	0.009	0.009	0.009	0.009	0.010	0.010	0.00950	0.00850	0.00884	0.00890
Yolo County Resources Conservation District	0.000	-	-	-	-	-	0.00000	0.00000	0.00031	0.00000
Yolo County Flood Control District	0.010	0.010	0.010	0.010	0.010	0.010	0.00970	0.00990	0.00728	0.00640
Solano Community College District	0.042	0.042	0.042	0.043	0.043	0.043	0.04360	0.03430	0.04044	0.03710
Yolo County School Services	0.030	0.030	0.030	0.030	0.030	0.030	0.02960	0.03010	0.03174	0.03150
Winters Joint Unified School District	0.086	0.205	0.296	0.297	0.296	0.296	0.29770	0.26660	0.31869	0.34930
	1.000	1.007	1.095	1.095	1.135	1.061	1.12185	1.07020	1.00000	1.00000
City of Winters General Obligation Bonds	0.074	-	-	-	-	-	0.00000	0.00000	0.00000	0.00000
Winters Joint Unified School District Bonds	0.299	0.092	0.092	0.092	-	-	0.00000	0.00000	0.14800	0.14800
Soano Community College Bond									0.02443	0.02443
Indian Valley Dam Bond	0.373									
TOTAL DIRECT RATE	1.745	1.099	1.187	1.187	1.135	1.061	1.12185	1.07020	1.17242	1.17243

NOTE:

In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for payment of the Winters Joint Unified School District bonds and for City of Winters General Obligation Bonds.

CITY OF WINTERS, CALIFORNIA

PRINCIPAL PROPERTY TAX PAYERS CURRENT YEAR AND TEN YEARS AGO

Taxpayer	Fiscal Year Ended June 30, 2018			Fiscal Year Ended June 30, 2009		
	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value
Central Valley Coalition for Affordable Housing	\$ 20,593,200	1	3.69%	\$ 2,590,000.00	6	0.52%
Roman Catholic Bishop of Sacramento	7,508,087	2	1.34%			
Mariani Nut Company	6,614,832	3	1.18%	5,498,706	3	1.10%
HBT of Winters Highlands LLC	5,997,114	4	1.07%			
Pavestone Company LP	4,399,389	5	0.79%	4,386,790	4	0.88%
Bajackian Trust	4,133,500	6	0.74%			
Bruhn Orchards Housing LLP	4,133,500	7	0.74%			
Corp of the Presiding Bishop LDS Church	3,351,913	8	0.60%			
Winters Almondwood LP	2,820,910	9	0.50%	1,121,000	23	0.23%
Winters Community Housing One LP	2,655,240	10	0.48%			
Yolo Federal Credit Union	2,623,978	11	0.47%			
Ogando, Joseph & Karen	2,075,152	12	0.37%	2,298,731	8	0.46%
Winters Gateway Inc.	2,015,155	13	0.36%			
Bellevue North 250LLC	1,995,939	14	0.36%			
Winters Hotel LLC	1,936,796	15	0.35%			
Lorenzo Family Trust	1,924,186	16	0.34%			
Evilsizor, Kenneht A Jr., Etal	1,893,456	17	0.34%	1,909,818	11	0.38%
Gateway Investors Club LLC	1,850,145	18	0.33%			
Martinez Fam LTD Partnership	1,837,903	19	0.33%			
Rodriguez Family Trust	1,802,162	20	0.32%			
Siracusa, John & Elizabeth	1,704,353	21	0.30%	1,888,661	13	0.38%
Garcia Atanacio & Irma	1,629,144	22	0.29%			
Foster, Peter and Thereas	1,611,496	23	0.29%			
Cross Development Winters LLC	1,554,495	24	0.28%			
Conway Fam Trust Etal	1,540,327	25	0.28%			
Winters Senior Apartment	1,530,548	26	0.27%			
Geerts Trust	1,522,084	27	0.27%			
South Market Court PTN LP	1,500,000	28	0.27%	8,323,200	2	1.67%
Winters Hospitality LLC	1,500,000	29	0.27%			
Pioneer Presbyterian Church	1,432,250	30	0.26%			
Schuhart Thiel V and Vive L	1,422,241	31	0.25%			
Burdick, Raymond and Marjean	1,398,207	32	0.25%			
Mazza Grazziani 2009 Family Trust	1,353,200	33	0.24%			
L&S Enterprises Inc.	1,350,657	34	0.24%			
Thiara Fam Trust	1,294,443	35	0.23%			
Gianola Trust	1,262,841	36	0.23%			
QuikServe II Concepts Inc.	1,254,092	37	0.22%			
Martinez Family Trust	1,244,371	38	0.22%			
Ogando Rev Trust	1,157,744	39	0.21%			
Trapani 1998 Rev Inter Vivos Trust	1,157,257	40	0.21%			
Ali Ashraf & Yasmin A	1,131,275	41	0.20%	1,349,628	18	0.27%
Vickery, Sandra T	1,122,263	42	0.20%			
Biasi Trust	1,098,199	43	0.20%			
Tiechert Land Co	1,015,228	44	0.18%			
Michael, Jocely and Jennifer	998,000	45	0.18%			
Montosa Marital Trust	977,306	46	0.17%			
SLD Trust	976,502	47	0.17%			
Winters Village East LLC	975,000	48	0.17%	1,030,991	25	0.21%
Thompson Rev Trust	968,250	49	0.17%			
Barsotti, Thaddeus and Moyra	961,653	50	0.17%			
Stocking, Chad Thomas	960,000	51	0.17%			
Pickereel, John and Melanie B.	959,290	52	0.17%	1,347,001	19	0.27%
Winters MHP LLC	931,978	53	0.17%			
Paradise Farms LLC	926,997	54	0.17%			
M & L Fruit Company	911,955	55	0.16%			
Thompson Trust	911,061	56	0.16%			
Brugger Fam Trust	905,000	57	0.16%			
Robben Family Trust	887,297	58	0.16%			
SLO Rentals LLC	887,297	59	0.16%			
Contreras-Gutierrez, Justin	864,960	60	0.15%			
Doughty Bill and Anna M. TR	839,363	61	0.15%			
Rippece Keith and Michelle N	830,699	62	0.15%			
Hernandez, Osvaldo Lopez & Veronica G	807,089	63	0.14%			
Neil, Gerald E	800,000	64	0.14%			
Mariani, Matthew & Laura	789,434	65	0.14%			
Lopez, Jose and Evangelina	782,671	66	0.14%			
2017-11H Borrower LP	771,575	67	0.14%			
McKallip, Kerry Kent	758,650	68	0.14%			
Garcia, Miguel A and Teresa J	758,579	69	0.14%			
Singh Family Trust	750,719	70	0.13%			
S P Group	746,545	71	0.13%			
Kristensen & Pearce Holdings LLC	745,062	72	0.13%			
Horvath 1998 Rev Trust	735,388	73	0.13%			
Mayes, Robert and Charlene	735,000	74	0.13%			
Boites	734,848	75	0.13%			
Sylvestri, Michael James	719,284	76	0.13%			
Aguilar, Rudolfo C and Elvia F	714,083	77	0.13%			
East Grant Avenue LLC	711,366	78	0.13%			
THCC Properties	709,087	79	0.13%			
Tavenier Trust	706,000	80	0.13%			
Ogano, Meika	700,000	81	0.13%			
GBH-Winters Highlands LLC				15,830,896	1	3.18%
Winters Investors LLC				3,279,767	5	0.66%
Deutsche Bank and Trust				2,308,772	7	0.46%
GreyHawke LLC				1,995,272	9	0.40%
Hisey, Raymond and Rebecca				1,974,437	10	0.40%
Miller, Michael and Constance				1,894,254	12	0.38%
Miller Disclaimer Trust				1,645,798	14	0.33%
Winters Investment Group				1,611,000	15	0.32%
Cheney, D Rick Tr Etal				1,591,807	16	0.32%
Lyons, Tom R and Diana E				1,529,150	17	0.31%
Conway, Louis W. Tr Etal				1,223,755	20	0.25%
Lorenzo, Aladdin C and Lynda R. Tr				1,168,201	21	0.23%
Montosa, Donna M. TR				1,138,463	22	0.23%
Rodriguez, Roberto and Karen A.				1,112,397	24	0.22%
	\$ 145,797,260		26.09%	\$ 70,048,495		14.07%

The amounts shown above include assessed value data for both the City and the Community Development Agency

Source: Yolo County Assessor's Office

CITY OF WINTERS, CALIFORNIA

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Fiscal year ended June 30,	Tax levied for the fiscal year	Collected within the Fiscal Year of Levy		Total Collections to Date	
		Amount	Percent of levy	Amount	Percent of levy
2009	2,581,766	2,581,766	100%	2,581,766	100%
2010	2,723,983	2,723,983	100%	2,723,983	100%
2011	2,556,664	2,556,664	100%	2,556,664	100%
2012	2,247,499	2,247,499	100%	2,247,499	100%
2013	2,243,269	2,243,269	100%	2,243,269	100%
2014	1,839,222	1,839,222	100%	1,839,222	100%
2015	1,753,192	1,753,192	100%	1,753,192	100%
2016	1,662,479	1,662,479	100%	1,662,479	100%
2017	2,536,709	2,536,709	100%	2,536,709	100%
2018	2,638,200	2,638,200	100%	2,638,200	100%

NOTES:

- ① Yolo County has adopted the "Teeter Plan" effective 1993-1994, which means that the City receives full payment for taxes levied each year, while the County retains all penalty, interest and delinquent taxes, when collected
- ② The amounts presented include City property taxes and Community Development Agency tax increment. This schedule also includes amounts collected by the City and the Community Development Agency that were passed-through to other agencies.

SOURCE: Yolo County Auditor Controller's Office

CITY OF WINTERS, CALIFORNIA

RATIO OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal year ended June 30,	Governmental Activities		Business Type Activities					Total Primary Govern- ment	Percentage of Estimated Actual Taxble Value of Property ^①	Debt per Capita ^②
	Tax Allocation Bonds	Total Govern- mental Activities	General Obligation Bonds	Loans	Sewer Bonds	Water Bonds	Total Business- type Activities			
2009	17,765,000	17,765,000	-	-	4,495,000	3,810,000	8,305,000	26,070,000	5.23%	3,696.82
2010	17,305,000	17,305,000			4,495,000	3,810,000	8,305,000	25,610,000	5.40%	3,608.06
2011	16,835,000	16,835,000			4,495,000	3,810,000	8,305,000	25,140,000	5.92%	3,755.60
2012					4,400,000	3,730,000	8,130,000	8,130,000	1.90%	1,188.77
2013					4,300,000	3,645,000	7,945,000	7,945,000	1.89%	1,139.23
2014					4,195,000	3,555,000	7,750,000	7,750,000	1.78%	1,110.47
2015					4,090,000	3,465,000	7,555,000	7,555,000	1.63%	1,086.43
2016					3,980,000	3,370,000	7,350,000	7,350,000	1.51%	1,018.85
2017					3,865,000	3,275,000	7,140,000	7,140,000	1.40%	984.15
2018					3,745,000	3,175,000	6,920,000	6,920,000	1.24%	948.99

NOTE: Details regarding the city's outstanding debt can be found in the notes to the financial statements
Personal Income Data for the City of Winters is not available

① See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on Page 112 for property tax value data

② Population Data can be found in the Schedule of Demographic and Economic Statistics on Page 123

CITY OF WINTERS, CALIFORNIA

RATIO OF GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS

Fiscal year ended June 30,	Outstanding General Bonded Debt			Percent of Assessed Value	Debt per Capita
	General Obligation Bonds	Tax Allocation Bonds	Total		
2009	-	17,765,000	17,765,000	3.57%	2,519.14
2010	-	17,305,000	17,305,000	3.65%	2,438.01
2011	-	16,835,000	16,835,000	3.96%	2,371.79
2012	-	-	-	0.00%	-
2013	-	-	-	0.00%	-
2014	-	-	-	0.00%	-
2015	-	-	-	0.00%	-
2016	-	-	-	0.00%	-
2017	-	-	-	0.00%	-
2018	-	-	-	0.00%	-

NOTE: General bonded debt is debt payable with governmental fund resources and general obligation bonds recorded in enterprise funds

- ① Assessed value has been used because the actual value of taxable property is not readily available in the State of California

CITY OF WINTERS, CALIFORNIA

OVERLAPPING DEBT AS OF JUNE 30, 2018

City Assessed Valuation	\$ 558,811,127
Redevelopment Agency Incremental Valuation	<u>-</u>
TOTAL ASSESSED VALUATION	<u>558,811,127</u>

	Percentage Applicable ①	Outstanding Debt at June 30, 2016	Estimated Share of Overlapping Debt
OVERLAPPING TAX AND ASSESSMENT DEBT:			
Solano County Community College District	1.111%	\$ 287,589,164	3,195,116
Winters Joint Unified School District	51.213%	<u>21,920,000</u>	<u>11,225,890</u>
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		<u>\$ 309,509,164</u>	14,421,006
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Yolo County General Fund Obligations	2.153%	41,994,675	904,145
Yolo County Office of Education Certificates of Participation	2.153%	5,665,000	121,967
Solano County Community College District Certificates of Participation	1.111%	9,141,724	101,565
Winters Joint Unified School District Certificates of Participation	51.213%	<u>911,000</u>	<u>466,550</u>
TOTAL OVERLAPPING GENERAL FUND DEBT		<u>57,712,399</u>	1,594,227
OVERLAPPING TAX INCREMENT DEBT (Successor Agency)	100.00%	<u>14,030,000</u>	<u>14,030,000</u>
TOTAL OVERLAPPING DEBT			<u>\$ 30,045,233</u>

NOTE:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Winters. This process recognizes that, when considering the governments's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

- ① Percentage of overlapping agency's assessed valuation located within boundaries of the City of Winters
- ② Excludes tax and revenue anticipation notes, revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

SOURCE:

California Municipal Statistics, Inc.

CITY OF WINTERS, CALIFORNIA

LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS

	2009	2010	2011	2012
Assessed valuation	\$ 498,026,316	\$ 473,823,122	\$ 424,957,197	\$ 421,099,025
Debt limit percentage	15.00%	15.00%	15.00%	15.00%
DEBT LIMIT	74,703,947	71,073,468	63,743,580	63,164,854
Total debt applicable to limit General Obligation Bonds	-	-	-	-
LEGAL DEBT MARGIN	\$ 74,703,947	\$ 71,073,468	\$ 63,743,580	\$ 63,164,854
Total debt applicable to limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 421,099,025	\$ 436,124,186	\$ 462,397,673	\$ 486,671,181	\$ 511,578,637	\$ 558,811,127
<u>15.00%</u>	<u>15.00%</u>	<u>15.00%</u>	<u>15.00%</u>	<u>15.00%</u>	<u>15.00%</u>
63,164,854	65,418,628	69,359,651	73,000,677	76,736,796	83,821,669
-	-	-	-	-	-
<u>\$ 63,164,854</u>	<u>\$ 65,418,628</u>	<u>\$ 69,359,651</u>	<u>\$ 73,000,677</u>	<u>\$ 76,736,796</u>	<u>\$ 83,821,669</u>
<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

CITY OF WINTERS, CALIFORNIA

PLEDGED REVENUE COVERAGE LAST TEN FISCAL YEARS

Fiscal year ended June 30,	General Obligation Bonds				Tax Allocation Bonds			
	Debt Service				Tax Incre- ment	Debt Service		
	Taxes	Principal	Interest	Coverage		Principal	Interest	Coverage
2009	-	-	-	n/a	2,013,682	295,000	773,758	1.88
2010	-	-	-	n/a	1,905,946	460,000	765,462	1.56
2011	-	-	-	n/a	1,610,359	470,000	750,626	1.32
2012	-	-	-	n/a	1,596,679	485,000	734,953	1.31
2013	-	-	-	n/a	1,097,497	500,000	775,521	0.86
2014	-	-	-	n/a	1,181,485	515,000	693,807	0.98
2015	-	-	-	n/a	1,661,098	275,000	682,957	1.73
2016	-	-	-	n/a	2,173,170	285,000	960,442	1.74
2017	-	-	-	n/a	1,190,696	270,000	891,365	1.03
2018	-	-	-	n/a	1,143,190	220,000	823,904	1.10

CITY OF WINTERS, CALIFORNIA

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN CALENDAR YEARS

Calendar Year	Population ①	Median Household Income②	Unemploy- ment Rate ③
2009	7,052	n/a	11.27%
2010	7,098	\$ 59,679	12.68%
2011	6,694	n/a	11.56%
2012	6,839	n/a	11.10%
2013	6,974	n/a	9.34%
2014	6,979	n/a	6.70%
2015	6,954	n/a	7.70%
2016	7,214	n/a	4.80%
2017	7,255	n/a	3.80%
2018	7,292	n/a	4.90%

NOTE: Data on Personal Income and Per Capita income for residents in The City of Winters is not available.

① State Department of Finance

② U.S. Census Bureau, Census 2010

③ State of California Employment Development Department

CITY OF WINTERS, CALIFORNIA

PRINCIPAL EMPLOYERS CURRENT YEAR AND FIVE YEARS AGO

Employer	2018		2013	
	Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
Mariani Nut Company	350	9.46%	350	10.83%
Winters Joint Unified School District	235	6.35%	230	7.11%
Buckhorn Restaruant	120	3.24%	120	3.71%
Double M Trucking	75	2.03%	75	2.32%
City of Winters	54.79	1.48%	44	1.36%
Pavestone	35	0.95%	35	1.08%
Town and Country	14	0.38%	14	0.43%
Vintage Paving	11	0.30%	11	0.34%
AM/PM	8	0.22%	8	0.25%
	<u>902.79</u>	<u>24.40%</u>	<u>887</u>	<u>27.43%</u>

NOTE: Data for Period nine years earlier not available.

"Total Employment" based on U.S. Census Bureau, Census 2000

SOURCE: Source: City of Winters
U.S. Census Bureau, Census 2000 FOR 2008

CITY OF WINTERS, CALIFORNIA

FULL-TIME AND PART-TIME CITY EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS

Function	Fiscal Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2017
Community Development	2.50	1.50	1.50	1.00	1.00	1.00	1.50	2.00	2.70	2.00
Community Development Agency	1.94	1.94	1.94	0.00	0.00	1.00	0.00	0.00	0.00	0.00
Finance	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.33	3.33
General Government	5.00	5.00	4.00	4.00	5.00	5.00	6.00	6.00	5.69	5.69
Police	11.44	12.44	12.44	12.44	10.44	10.00	13.00	13.00	13.44	13.44
Fire Department			4.00	7.00	7.00	3.50	3.00	3.00	7.00	7.00
Public Works	7.32	7.32	7.32	7.32	7.32	8.00	13.00	14.00	13.48	13.48
Recreation	11.81	9.85	9.85	9.85	9.85	9.85	9.85	9.85	9.85	9.85
TOTAL	43.01	41.05	44.05	44.61	43.61	41.35	49.35	50.85	55.49	54.79

SOURCE: City of Winters, California

CITY OF WINTERS, CALIFORNIA

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Police:										
Traffic Citations	\$ 48,860	\$ 11,177	\$ 10,745	\$ 19,569	\$ 15,396	\$ 5,104	\$ 10,729	\$ 17,925	\$ 16,507	\$ 16,504
Parking Citations	\$ 1,195	\$ 245	\$ -	\$ 1,490	\$ 750	\$ 765	\$ 148	\$ 380	\$ 495	\$ 1,375
Water										
New Connections	3	0	0	5	2	1	1	41	37	10
Average Daily Consumption	1.58 mgd	1.28 mgd	1.39 mgd	1.10 mgd	1.15 mgd	1.12 mgd	1.05 mgd	.817 mgd	.837mgd	.941 mgd
Sewer										
New Connections	-				2	1	1	41	37	10
Average Daily Sewage Treatment	.548 mgd	.567 mgd	.556 mgd	.535 mgd	.543 mgd	.641 mgd	.533 mgd	.438 mgd	.502 mgd	0.456

SOURCE: City of Winters, California

CITY OF WINTERS, CALIFORNIA

CAPITAL ASSET STATISTICS BY FUNCTION LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
POLICE:										
Stations	1	1	1	1	1	1	1	1	1	1
FIRE										
Stations	0	0	1	1	1	1	1	1	1	1
PUBLIC WORKS:										
Streets (lane miles)	22	22	22	22	22	22	22	22	22	23.5
Traffic Signals	1	1	1	2	3	3	3	3	3	4
PARKS AND RECREATION:										
Parks	6	6	6	6	6	6	7	7	7	7
Park acreage	7.2	7.2	7.2	7.2	7.2	7.2	11.9	11.9	11.9	16.64
Community Centers	1	1	1	1	1	1	1	1	1	1
WATER:										
Water Mains (miles)	20	20	20	20	20	20	20	20	20	22.2
Water Wells	5	5	6	6	6	6	6	6	6	6
Storage tanks (non-operational)	2	2	2	2	2	2	2	2	2	2
WASTEWATER:										
Sewer Lines (miles)	23	23	23	23	23	23	23	23	23	28.5
Pump Stations	2	2	2	2	2	2	2	2	2	5
Sewer Treatment Plant	1	1	1	1	1	1	1	1	1	1

SOURCE: City of Winters, California